

75 CENTS

JANUARY 26, 1976

TIME

INSIDE:

*The Banks
& Your Money*

Pat
Moynihan



**GIVING
THEM HELL
AT THE U.N.**



You don't have to pamper a Cadillac.

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That doesn't mean Cadillac owners don't love their Cadillacs. They do. And they take good care of them—as witnessed by Cadillac resale value, consistently the highest of

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But a Cadillac owner knows what a Cadillac can do. So he might put it to the test. And so—in the real world—you might find a Cadillac in a situation like this.

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Rack of Lamb Garni Chateau Talbot '66 Pioneer High Fidelity

Just as fine foods can turn a meal into an occasion, so do quality hi-fi components convert your home into a concert hall. And, just as you select your menu to your own unique taste, so should you select your hi-fi equipment to suit your listening appetite.

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When you're looking for haute cuisine, you deserve a gourmet meal. When you're looking for the finest quality of sound reproduction, treat

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The system includes a Pitney Bowes postage scale and a Pitney Bowes postage meter.

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The meter prints the exact postage.

At the new 13¢ rate, maybe it's high time you started printing your own postage, stopped worrying about losing or ripping stamps (neither is possible when you meter stamp), and started keeping an automatic accounting of all the postage you use (the postage meter does it).

Pitney Bowes has specialized in incoming, outgoing, and interoffice mailing and paper-handling efficiency for over fifty years. If you think your company could benefit from one of our systems, and that includes our new PBC™ plain bond copier, write us: Pitney Bowes, 1248 Pacific Street, Stamford, Conn., 06904. Or call one of our 190 offices throughout the U.S. and Canada. Postage Meters, Mailing Systems, Copiers, Counters and Imprinters, Addresserprinters, Labeling & Marking Systems.



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at the speed of paper.

FORUM

Smart, Tough and Quick

To the Editors:

See here, fellows, it's hard enough to find a job without having to compete with millions of smart, tough, quick, good-looking women [Jan. 5] too.

John Berkeley
Chicago

So you've become female chauvinist pigs. It's about time.

Steven Freedland
Miami

By Juno, you're not suggesting that a dozen Women of the Year equal one Man of the Year?

Ronald E. Pepin
Colchester, Conn.

Do twelve Women of the Year mean that it takes twelve women to equal one



man or that one man can create more problems than twelve women?

Benn T. Kershaw
Upper Darby, Pa.

The Cop-Out of the Year. TIME has disgraced itself by bowing to the pressure of women's groups. Rather than wait for a year when one woman has truly affected its events, TIME jumps the gun and picks a dozen second-rate.

Todd H. Smith
National City, Calif.

Your twelve crowned princesses were just the last nail in the coffin for a year that was not much of anything or anyone.

Gerald P. Wiggin
St. Paul

Your story should have said WOMEN OF THE YEAR IN THE U.S.A. We have them as good all over the world.

Sergio Prunedo
Mazatlán, Mexico

I must say that I deeply resent the statement in the article on Women of the Year that nurses are helpers rather than leaders.

We are no longer handmaidens to the Male Chauvinist Physician but independent practitioners and innovators in health care.

Deborah Shpritz, R.N.
Head Nurse, ICU Mercy Hospital
Baltimore

Why was my profession (wife and mother) overlooked when TIME made its selection? We have been known to make a contribution or two to the strength of this country.

(Mrs.) Anita Nelson
Columbia, Md.

It was interesting to note that the author of the article on Women of the Year was male.

(The Rev.) Mary Burton-Beinecke
Bennington, Vt.

... and another man coordinated the reporting and edited the story. It looks suspiciously as if TIME had women do the work to compile the cover story but still had men "put it all together." Why did your effort stop short?

Robert Carmean
Morgantown, W. Va.

Tripping with Ford

The recent run of articles on our President's bumbling style [Jan. 5] portray Mr. Ford as a bigger-than-life buffoon. What person has not tripped over his own feet or tied his tongue in knots over a simple statement? Does the nation want God in the White House?

Laura M. Roman
Greenwich, Conn.

The "Jerry Ford joke" is just the tension releaser this country needs.

Bill Bowser
Shelota, Pa.

Have you seen the "Jerry Ford doll"? You don't wind it up—you help it up!

John J. Lyons
Chicago

Would you rather have as President an unindicted co-conspirator and income-tax cheat, or someone who falls down a lot?

Richard George
Downers Grove, Ill.

At last! I've found an explanation for President Ford's clumsiness.

Simpson's cartoon shows a barefoot

President with the toes on his left foot backward. While this obviously contributes to his awkwardness, it clearly makes it easier for him to put his foot in his mouth.

John McKerlie
Arva, Ont.

Nixon was beaten down by the peasants' freshly fashioned plowshares because his lust for power was too strong. Ford's doom appears to come from the very gentleness of his ways. What do we want?

John Garrett
Los Angeles

Why is it that when Ford took a fall on the ski slopes, it got national coverage, while when Kennedy took a fall with some young lady, everyone but the public knew about it?

I would rather have a clumsy President than one who thinks affairs of state have something to do with sex.

William H. Bird
Boulder, Colo.

Any man over 60 who can handle the trails at Vail as well as President Ford does, and then be attacked by the media for being uncoordinated and clumsy, deserves the support or, at least, the sympathy of those who wish they could do as well.

George F. Duffy
Stanfordville, N.Y.

Recycled by Mother Teresa

I met Mother Teresa in Delhi where she had opened an orphanage a block from our school. Her sisters would ask our priests for the old cotton cassocks "they were going to throw away." We thought they would be bandages or dust cloths, and were surprised to find them meticulously repaired and worn as a basic garment beneath their saris. The collar of the old Jesuit cassock is clearly visible in your cover picture of Mother Teresa [Dec. 29].

John H. Lane, S.J.
Chicago

Images '75

I feel your photograph of Aristotle Onassis [Jan. 5] represents a gross invasion of privacy.

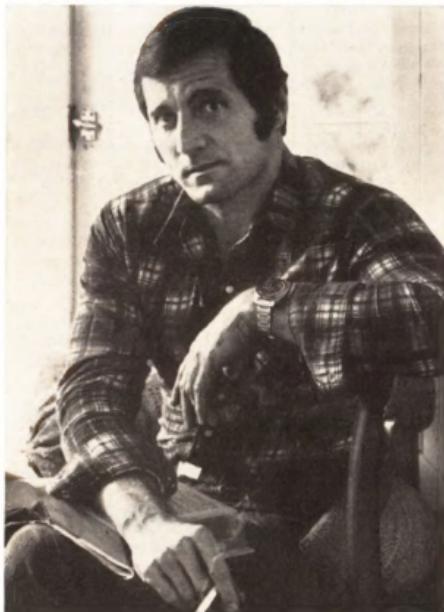
The Peeping Tom sensation of looking at any person, once alert and vital, now unguarded, ill and unaware of the camera, is repugnant. The end of life, at least, should be private.

Celia Huston
Atlanta

Five Easy Pieces

TIME has not been known for its reluctance to drop the other shoe. In your piece marking the 40th anniversary of the DC-3 [Dec. 29], you say, "Dwight Eisenhower hailed the plane as one of

“How I lost 1200 mg. of ‘tar’ the first week... without losing out on taste.”



“Personally, there’s not a big difference to me in the taste of Doral and my old brand. They are both good smokes. But Doral is 6 milligrams lower in ‘tar.’

“That’s 120 mg. less ‘tar’ a pack. I go through about a carton a week—so it adds up to about 1200 mg. less ‘tar’ on this ‘Doral Diet.’ Best of all, I’m not smoking statistics, but Doral—
a good
tasting
cigarette.”



Menthol or Regular.

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Warning: The Surgeon General Has Determined
That Cigarette Smoking Is Dangerous to Your Health.

MENTHOL: 13 mg. “tar”, 1.0 mg. nicotine.
FILTER: 14 mg. “tar”, 1.0 mg. nicotine, av. per cigarette. FTC Report SEPT. 75.

You don't have to fly around the world to benefit from the airline that does.

Let's say your trip is only taking you to London. On our flight to London you'll be flying with a captain



who's not only flown into London in the fog. But Tokyo in the smog. And 98 other airports around the world, in all kinds of conditions.

You'll fly with a crew drawn from people of 65 countries on 6 continents. And every one of them speaks English.

Then there are our mechanics. Some of whom have had, over the years, first crack at working on all kinds of major aircraft innovations.

As a matter of fact, much of the major aircraft in use today have been introduced by Pan Am. The 707, the 747, and we're about to introduce a brand new aircraft, the 747SP.

Today our fleet consists of more 747s than any other airline. So, if you like to fly 747s, your chances of getting one are much better with us.

On many of our 747s we have an upstairs sit-down dining room for first class. You can arrange to get a seat by reserving in advance.

Besides getting the type of plane you want, we also have frequent and convenient scheduling to 98 cities on

6 continents. And we'll give you instant confirmation on the most sophisticated reservations system in the world.

Now should you get to London and have a change of plans, maybe decide to spend a few days in Frankfurt before coming home, it's no problem. Our computer can make the change.

Of course, now you'll need a hotel in Frankfurt. We'll take care of it. If you want, we can even put you up in our own Inter-Continental hotel. (We have them in 66 cities.)

Maybe you'd like a car while you're there. Pan Am's World Rent-A-Car will take care of that. We can rent you everything from a VW Fastback to a Mercedes convertible. And we'll fill the glove compartment with maps.

Where do you go when you get hungry?

Stop in at a Pan Am office. Most are staffed by people who've grown up in the area, so they'll have inside information on good places to eat.

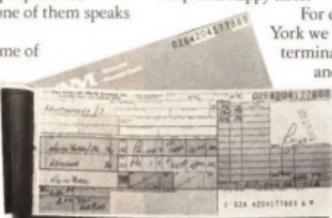
We have over 150 Pan Am offices all over the world, so chances are, wherever you are, we're nearby.

When it's time to return we'll even end your trip on a happy note.

For example, if you're returning to New York we have our own Pan Am Worldport™ terminal at JFK. With its own customs and its own immigration. It speeds things up.

Our baggage handlers try to do the same. They've been known to empty a loaded 747 in 15 minutes.

We think it's important that the last thing that happens on your trip not be an unpleasant memory. After all, it's likely to be the first thing you remember when you're ready to go abroad again.



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America's airline to the world.



See your travel agent.

FORUM

the five pieces of equipment that did most to win World War II."

So—may we know what the other four are?

Aaron P. Pratt Jr.
Windsor, Conn.

The bulldozer, the Jeep, the 2½-ton truck and the amphibian duck.

Scott v. Amundsen

In Mr. Golden's excellent article [Jan. 5], as in most accounts of polar exploration, Scott has been highlighted for his South Pole expedition in 1912. I think it is important to remember, however, that Amundsen was not only the first to reach the pole but that all members of his party survived the expedition. Scott and his men perished.

Scott has gained special attention because of his flamboyant personality and the stirring account of that last, doomed expedition. Amundsen, a more methodical man, accomplished his feat earlier, with less notoriety and no loss of life.

Richard B. Weininger, M.D.
New York City

*Dr. Weininger was the scientific lead-
er at the South Pole station, 1966-67.*

For Cynthia Gregory

I have just finished reading "Gregory Bows Out" [Jan. 5], and I believe a response is called for.

For balleromaniacs the world over, Cynthia Gregory's retirement is a tragedy. Many believe she has never been fully appreciated because she is American born, rather than Russian.

To say that lately Gregory had little to complain about is unjust. *Raymonda* came into being because of, first, Rudolf Nureyev's opinion that Cynthia Gregory was ideal for this role; second, Gregory's own formidable artistry; and third, my desire to underwrite this production in memory of my late husband. American Ballet Theater did not, as you state, mount this ballet especially for Gregory. The company's management simply allowed it to happen. It would be far more accurate to say that Cynthia Gregory made *Raymonda* possible for A.B.T.

Mrs. Isaac Arnold
Houston

When the Skunk Fits

Even if conserving oil is the reason for the revival of fur coats [Dec. 29], I still feel fur looks much better on our natural wildlife. Nobody fits a skunk coat better than the skunk himself.

Peter James Brooks
Utica, N.Y.

Address Letters to TIME, Time & Life Building, Rockefeller Center, New York, N.Y. 10020

Will you sponsor a child like Raimundo?

Raimundo lives in Brazil and was eight years old when we took his picture. His home is a two room shack made of mud and sticks. He shares the house with his mother, a grandmother, two brothers and three sisters.

His father has left the family and can contribute only pennies a day to help support the children. Raimundo's mother is unskilled and must take in washing to earn a little money to help care for her youngsters.

A shy but affectionate little boy, Raimundo is unusual since only he and two other children in the family are interested in school. But Raimundo wants to learn and all he needs is a chance—help with textbooks, suitable clothing, school fees—more nourishing food—medical care . . .

And Raimundo's CCF sponsor is helping give him that chance—an opportunity to grow up a useful member of his society. Without aid, Raimundo and others like him probably would repeat family life patterns of poverty and ignorance.

Won't you help . . . and sponsor a youngster like Raimundo? It costs only \$15 a month—that works out to about 50¢ a day—a small amount even today! But when it is used to help a deserving child who needs a chance, 50¢ a day can buy a lot.

Just fill in the coupon at the bottom of the page, indicating the sex and country of the child you'd like to sponsor. Send it to us along with your first monthly payment of \$15.

Then, in about two weeks, you'll receive a Personal Sponsor Folder of the child assigned to you, with the child's photo, name and mailing address, so you can exchange correspondence. You will also receive instructions on how to write your sponsored child, as well as a description of the project where the youngster is assisted.

Please, let today be the day you begin to develop a person-to-person relationship with a child who needs your love. Thanks so much.

Sponsors urgently needed in Brazil, India, Guatemala, Indonesia and the Philippines.



We will be glad to send you a Statement of Income and Expense upon request.

Write today: Dr. Verent J. Mills
CHRISTIAN CHILDREN'S FUND, INC.

Box 26511, Richmond, Va. 23261

I want to sponsor a boy girl in (Country) _____

Choose any child who needs my help. I will pay \$15 a month. I enclose first payment of \$_____. Please send me child's name, mailing address and photograph.

I can't sponsor a child now but I do want to give \$_____. Please send me more information.

Name _____

Address _____

City _____

State _____ Zip _____

Member of International Union for Child Welfare, Geneva. Gifts are tax deductible. Canadians: Write 1407 Yonge, Toronto 7. T1B 010



TIME

AMERICAN NOTES

Pot? Why Not?

Four years ago, Democratic Presidential Candidate George McGovern was clobbered by his opponents for advocating a relaxation of laws against possession of marijuana. This week a poll of presidential aspirants taken by the National Organization for Reform of Marijuana Laws will appear—with some startling results. Among nine Democratic candidates who replied, only George Wallace stood adamantly against decriminalization of pot. Jimmy Carter, Sargent Shriver, Frank Church, Morris Udall, Henry Jackson, Birch Bayh, Fred Harris and Milton Shapp all favored making possession of minor amounts a civil offense punishable only by fine—though they favored keeping a strict penalty for pushing. Another respondent, Lloyd Bentsen, favored lessening of the criminal penalties for first offenders. So far, Republican Candidates Gerald Ford and Ronald Reagan have not changed their positions against decriminalization.

Wanted: A Full-Time Humanist

Folks in the cattle and timber town of Baker, Ore. (pop. 9,500), are darkly suspicious of technical consultants, social scientists and similar experts. That posed a seemingly insurmountable problem for a committee of local citizens who thought that Baker needed outside help to improve its economy and keep the young people from moving away. But

the committee members remembered how well the town had received some University of Oregon students who had conducted a humanities project in 1972 in which residents of Baker were interviewed on the quality of rural and small-town life. So the committee decided that the town needed a full-time, live-in "humanist." Which is what? Dictionaries are of little use; the most applicable definition of a humanist was someone who is "devoted to human well-being." No matter. Co-Chairman Peggy Timm knew what Baker was after. A humanist, she said, is like an architect who "sits down with the family to discuss what they want in a house before designing it." In contrast, she said, a planner is analogous to a contractor who "takes somebody else's plan and builds the house even though it might not satisfy the family's needs or tastes."

The committee advertised throughout the Northwest. Even though the job definition was vague and the work would pay only \$9,500 for six months, Baker received 30 applications. Some came from the kind of people that the town did not want: a "community-relations expert" and a "human-development specialist." But others seemed to qualify, and last week Baker awarded the job to A. Kenneth Yost, 65, a retired teacher of written and oral communication at Oregon College of Education who had been active in community cleanup campaigns and charitable drives. Yost's first task will be to circulate among Baker's citizens so that he can find out their needs and tastes—before deciding how best to help them.

Truth in Garbage

Having made a career of reconstructing long-dead civilizations from random remains, Archaeologist William L. Rathje hit on an idea: Why not use kindred techniques to study a modern culture? So for about four years Rathje and his students at the University of Arizona have held classes at the Tucson Sanitation Division's maintenance yard. Wearing surgical masks and rubber gloves, they meticulously analyze the garbage thrown out by a representative sample of Tucson households.

Rathje's course—known on campus as Garbageology or *Le Projet du Garbage*—has produced some intriguing findings. The average Tucson family throws out about 10% of the food that it buys—enough to feed about 4,000 people. Middle-income families waste more food than either the rich or poor. Low-income people eat as much meat as those who are better off but consume proportionately more vitamins, liquor and bread. During the beef shortage of 1973, householders threw away about 9% of the beef they bought, perhaps because they were purchasing unfamiliar cuts or unusually large quantities.

Among other artifacts, the student "diggers" found false teeth, a diamond ring, a pair of silver-studded motorcycle boots, and a package of birth control pills with only one missing. The meaning of these finds is far from clear, but Rathje is eager to extend his research. Says he: "A good question is whether people elsewhere waste as much as the people in Tucson."



FORD WORKING IN HIS PRIVATE WHITE HOUSE OFFICE ON LAST-MINUTE CHANGES IN HIS STATE OF THE UNION ADDRESS

THE NATION

THE WHITE HOUSE

State of the Union: 'I'm an Optimist'

It was billed as the most important speech of Gerald Ford's presidency—or his career. In his annual State of the Union address to Congress this week, Ford hoped to do much more than assess America's strengths and weaknesses and outline his legislative program for the coming year. The speech was designed as a campaign platform, a document that would help overcome his image as an indecisive leader. It was also crafted to help Ford in his neck-and-neck race with conservative Ronald Reagan for the Republican nomination.

As always, Ford approached this crucial address and his budget message, due later in the week, in an optimistic mood. While he and his aides were putting the final touches on his speech, the President took time out last week to meet with a group of TIME editors and correspondents. A year ago Ford began his message by saying: "The State of the Union is not good." Now, with inflation cut from 11.7% to 6% and the real growth rate, which declined 2.9% last year, expected to rise as high as 7% in 1976, he projected a sense of confidence about both the nation's future and his chances of being nominated (see box page 12).

"We have come out of the recession and the economic news is encouraging," he told the TIME group. "I believe if we don't lose our cool, it will be a solid re-

covery and not a short-lived one. I believe in the area of foreign policy we have re-established good relations with all of our allies. We are still in the area of sound negotiations with potential adversaries and, as far as our faith in the public institutions, I believe most Americans feel that there has been a restoration of honesty and candor."

"So I am an optimist, and I think in time there will be the perception that the country has recovered from this traumatic period and that we have an excellent opportunity of making progress, whether it is domestically, internationally or otherwise."

Rejected Suggestions. While preparing his State of the Union message, Ford asked Vice President Nelson Rockefeller, who runs the White House's Domestic Council, to develop some new programs. Rockefeller and his staff, headed by Director James Cannon, conducted hearings in six cities and compiled 12,000 pages of testimony and exposition on domestic problems. In December, the Vice President recommended that Ford advocate a sweeping national health insurance plan and a minimum income for the needy.

Given his own conservatism and Reagan's threat to his right flank, Ford rejected the suggestions. Rockefeller's aides were philosophical about the outcome. "Once Reagan announced, it was

inevitable," said one. "Personally, my instincts would be to put some distance between myself and Reagan rather than pattern myself after him. But we're out of it now."

Ford was convinced that the American people were worried mainly about the economy and inflation, a belief borne out by surveys conducted for the Republicans by Pollster Robert Teeter. The President also felt that the Federal Government could do little to solve such enduring social problems as poverty and racial discrimination. He questioned the wisdom of continuing to commit billions of federal dollars to programs for alleviating other social problems such as raising educational levels and cleaning up the slums. To indicate just how convoluted and complicated the federal programs had become, Ford noted that James Lynn, director of the Office of Management and Budget, had developed some visual aids that were promptly labeled "mess charts." Describing one of the charts, which detailed various health measures, Ford gestured as he told TIME's contingent: "You could take one of them from that curtain over there to here, about like that. There are lines which cross all over. It is unbelievable" (see following page).

As inspiration for his address, Ford turned to a yellowed, dog-eared book given him by White House Counsellor

THE NATION

John Marsh—Tom Paine's *Common Sense*. The President fixed on the title of the work by the 18th century pamphleteer who roused sentiment against the British before the American Revolution. Common sense was on the mind of Presidential Counsellor Robert Hartmann when he composed the draft of Ford's speech, working in Colonial Williamsburg, Va., with the ghosts of Patrick Henry and Thomas Jefferson hovering around him. (Hartmann wrote in the same dining room where Revolutionists plotted strategy against the British.) The main theme that emerged from these sessions and that Ford was to emphasize in his address to Congress on Monday night: "Common sense tells us we simply cannot do everything at once."

The notion of restraining the Government—and the actual phrase "common sense"—occurred throughout the speech. Ford pledged his commitment to greater individual freedom in the face of ever greater Government control. He strongly endorsed the traditional Republican position that private enterprise should be allowed more freedom to function.

When it came to specifics, Ford's State of the Union and budget speeches were largely shaped by his concern with the economy and his determination to hold down Government spending. His recommended spending ceiling for fiscal 1977 is \$395 billion. That represents a \$25 billion rise above the figures for fiscal 1976 and would produce a \$43 billion deficit. But it still represents something of a victory in Ford's terms. Without a rigorous cutback in existing programs, spending would have risen by \$53 billion. One major category that Ford allowed to grow was defense. He earmarked \$101 billion for the Pentagon, an \$8.2 billion increase over fiscal 1976.

To ease the impact of reductions in social programs, Ford suggested increasing their efficiency by consolidating 16 health, 15 nutrition and 24 education

plans into new packages. In addition, Ford recommended giving state and local officials much more say in how the money should be spent. Ford believes that this form of "revenue sharing" would be much more popular with the nation's Governors and mayors than Reagan's ill-defined proposal to transfer to the states full responsibility for many federal programs.

The most important of Ford's new proposals:

TAXES. If Congress promised to hold spending below \$395 billion, Ford said, he would endorse a \$10 billion cut in taxes as a spur to the economy. Combined with the temporary reduction voted by Congress in December, Ford's proposal would increase the tax cut to \$28 billion. The principal beneficiaries would be Americans with incomes in the \$10,000-\$30,000 range—a group that has been notably cool to Ford in private polls. Average savings: between \$2 and \$4 a week. The President, says an aide, "wants to let people spend \$28 billion as they desire rather than send it to Washington and let Congress spend it as it sees fit." But Ford also wants to increase Social Security taxes from a maximum of \$895.05 in 1976 to \$1,014.75 in 1977.

UNEMPLOYMENT. With the unemployment figure still stubbornly hovering around 8.3%, Ford asked Congress to continue until October 1977 an emergency \$2.5 billion program creating 310,000 public service jobs.

HOUSING. To appeal to both young and middle-aged voters, Ford proposed a series of steps aimed at relaxing credit and increasing the supply of mortgage money. As a stimulus for the moribund housing industry, the President announced plans to release frozen federal funds.

THE ELDERLY. Ford tried to enhance his popularity with voters over 60 by proposing health insurance that would cover their hospital expenses over \$500 a year and their doctors' bills over \$250

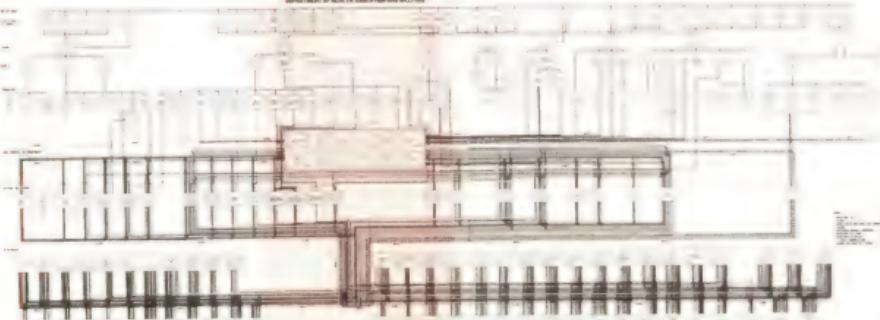
The elderly, however, would be asked to increase their Medicare payments. Under another plan, people on Social Security would be given cost of living increases.

Ford will follow up his State of the Union and budget addresses with more detailed messages to Congress. Each will be shaped and closely watched by White House aides, who are acutely aware that the President's election campaign is moving at dead slow. To infuse new life into it, Ford last week named Rogers C.B. Morton, 61, a former Congressman and Secretary of Commerce, to his White House staff with the rank of Counsellor. But Morton immediately became the center of a political controversy. Democratic National Committee Chairman Robert Strauss protested that it was "disgraceful and shameful" for a basically political operative to be paid out of federal funds. At the same time, former G.O.P. Congressman Thomas B. Curtis, 64, chairman of the Federal Election Commission, warned that Morton might be violating the law if he worked on the campaign while being paid by the Government.

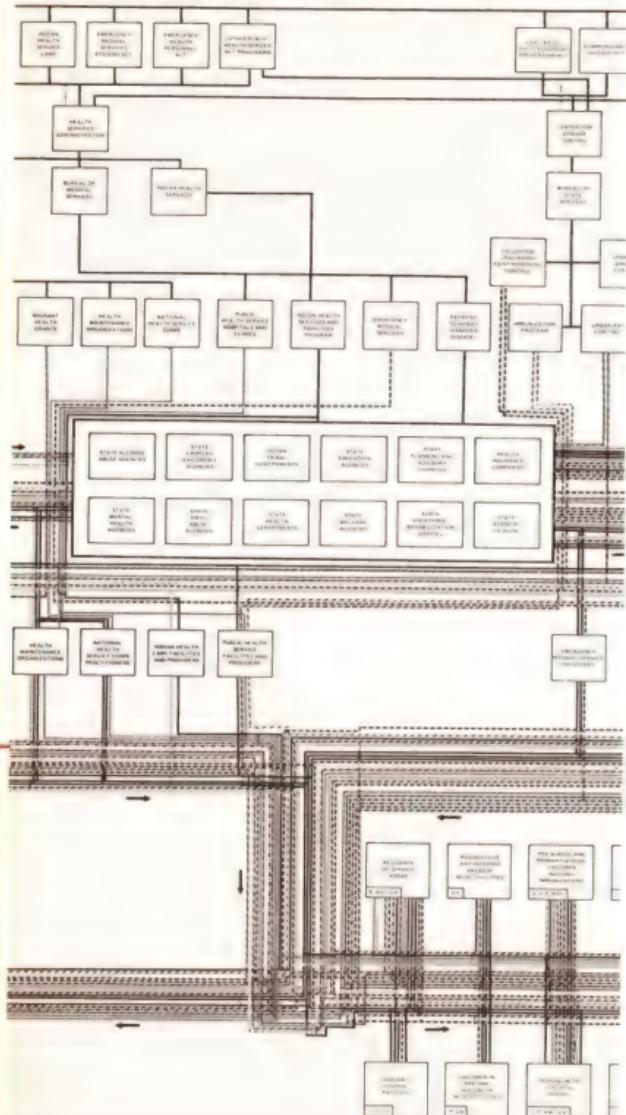
Morton's and Ford's troubles may be only beginning. The Democrats' counterattack on the State of the Union will start this week when Maine's Senator Edmund S. Muskie gives his party's official response and critique. In the months ahead, the liberal Democrats on the Hill are bound to argue that Ford's budget is so tight that it will choke off the nation's recovery from the recession.

By designing his legislative program for 1976 in such relatively conservative terms, Ford may well have succeeded in disarming the equally conservative Reagan. However, as liberal and moderate Republicans have been pointing out for months, Ford is thereby running a considerable risk. The very tactics that might help him to win the nomination could jeopardize his chances of defeating the Democratic nominee, whoever he might be.

HEALTH SERVICES PROGRAMS
BY ROBERT HARTMANN
DEPARTMENT OF HEALTH, EDUCATION AND WELFARE



**HEALTH SERVICES PROGRAMS
OF THE
DEPARTMENT OF HEALTH, EDUCATION AND WELFARE**



‘Mess Chart’

The chart at the left could be a diagram of a complicated computer's electronic circuitry. Or the schematic plan of a vast railway network. In fact it is just a glimpse of the programs run by a single division of a huge federal department—Health, Education and Welfare.

HEW runs more than 400 programs, employs 129,000 people and spends \$118 billion, nearly one-third of this year's entire federal budget. To show its present snarl of red tape—and the need for reform—President Ford had a "mess chart" prepared on the health services provided by the department. The entire chart is shown on the opposite page (actual size: 4 ft. by 11 ft.). The adjoining segment is reproduced to give a closeup idea of its complexity.

The boxes at the top of the chart describe the basic "statutory authorities"—no fewer than 30 of them. They include the Developmental Disabilities Services and Facilities Construction Act and the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act. Simple enough, until the lines of authority begin to move back and forth. At first, they are as clear and as easily traced as a mountain stream. Then they flow downward—through eight agencies, such as the Social Rehabilitation Service and the Alcohol, Drug and Mental Health Administration; 20 bureaus, such as the Office of Native American Programs and the National Heart and Lung Institute; and 40 programs, including Narcotic Addict Rehabilitation Act contracts and the Area Planning and Social Services Programs for the Elderly.

Soon the lines begin to intersect and merge until they form broad and turgid rivers of money and authority, sometimes augmented and rechanneled by state agencies. In a nearly futile attempt to keep the lines distinguishable on the chart, they are rendered in eight varieties—including dots, diagonals, dashes, and dashes and dots. At the bottom, where the confusion is such that arrows are necessary to direct traffic, await the beneficiaries of the programs voted by Congress. They are divided into a mind-boggling 59 categories: Residents of Rat Infested Areas or Selected Cities, Residents of Critical Health Manpower Shortage Areas, Special High-Risk Minority Groups

"I think," says Ford, "that there will be an improvement in the method by which we handle this without any cutback in the money." And, he predicts, "the Governors will wrap their arms around this idea."

'I Don't Expect to Lose'

The scene of last week's TIME interview with the President was the Blue Room of the White House. Seated before a crackling fire, Ford discussed for 1½ hours his presidency and the politics of 1976. Excerpts:

Since becoming President, you have cast over 40 vetoes, which people perceive as a kind of negative leadership. How can you overcome this feeling?

Unfortunately, many people do consider a veto to be a negative action. I don't think it is. In the first place, the veto was put into the Constitution to give a President an opportunity to tell a Congress that a mere majority vote in both the House and Senate doesn't necessarily mean it is in the best interests of the country as a whole. A veto tells the Congress, "You had better think about it, and if you want to override it, you have to do better than 51%," and you have to have two-thirds. We used vetoes several times this year to produce constructive legislation in place of legislation that I think would have been unwise. Take housing. Congress sent down a bill that was loaded for all the special-interest groups in the housing industry, and everybody else, virtually. I vetoed it. They came back with a housing bill that was 90% or 95% good.

Are you in favor of covert intelligence operations abroad?

I strongly believe in covert operations. I have no hesitancy to say so. I don't know how a President could conduct foreign policy without a degree of covert operations. As for the safeguards, fairly sizable numbers in the Congress are today given information about covert operations—six committees. That is a lot more than used to get it when I was there. Second, as far as I know, no covert operations that have been undertaken by this Administration have involved any commitment beyond the precise operations authorized by me with my signature. Now with any Administration that is deceptive, of course. I think the Congress and public ought to be wary. But as far as we are concerned, there is not going to be any commitment that the Congress or a fairly sizable number of Congressmen or Senators do not know about.

What do you see as the principal differences between yourself and Ronald Reagan?

I have a record of 25 years in the Congress, nine months as Vice President and 17 months as President. Now, it seems to me that it is up to him and his people to point out where there are dif-

ferences. One difference that does exist, of course, is the approach to the Federal budget. Since he laid the \$50 billion budget reduction on the table, I have talked to approximately 20 Governors—Democrats as well as Republicans—and they all throw their hands up

Is Reagan upholding a different position from yours on détente?

Well, I read that up in New Hampshire he said, "Stop," but then he didn't illustrate how that hard line would be implemented as far as the Soviet Union is concerned. It would be catastrophic to throw away the current U.S.S.R.-U.S. relationship, not that it turns up something affirmative every day. But if we are going back to the cold war of the '50s and '60s, I think it would be a serious mistake. If he wants to make [détente] an issue, I am delighted to. I think in the long run, as well as the short haul, it is in the best interest of the country.

Are you worried about losing the nomination to Reagan?

I don't expect to lose, and I am going to be there until the last ballot is counted. I like a good fight, and it will be a good one. I don't have any fear or apprehension. I sleep very well.

Do you think you may eliminate Reagan quickly—in the first two or three primaries?

I think we have got a chance. But even if we don't, we look at the rest of the states, either primaries or conventions, and I think we are in pretty good shape.

What do you consider your chief political liability as a candidate?

The biggest liability is that a President has to make tough decisions, and you inevitably antagonize one interest group or another. Rhetoric is cheap. Decision making is pretty hard. We have had some very difficult decisions in this last year—the budget, energy, New York City. For a candidate out on the hustings, it is a heck of a lot easier.

To be personal, I am the first to admit that I am no great orator or no person that got where I have gotten by any William Jennings Bryan technique. But I am not sure that the American people want that. I think they are more interested in honesty, trustworthiness and a feeling of security. So maybe out in the hustings it will pay off to make those kinds of flamboyant speeches, but the American people for a long time have been made grandiose promises, and there have been an aw-

ful lot of disappointments. We aren't going to do that.

How do you think you can win over the Democrats and Independents that you will need to win the election?

I think the policies that we have had for the correction of our economic problems will appeal to the Independent group, as well as what we have done in foreign policy. One of the interesting things about the polls is that I rather substantially do better than any Republican and/or Democrat with those between 18 and 25. It is surprising. I don't know whether it is the family or me or my wife or what, but at least it is reflected that way. I think it is a potential gold mine for the Republican Party and my own personal philosophy.

Some of your aides apparently are concerned that the public perceives you as a physically awkward man, and jokes have been springing up about it. Could you tell us how much this worries you?

On the basis that most Americans are awkward and there is a certain *simpatico*? [Laughter]

Do you think this reflects a deeper or more disturbing perception of you as President?

Well, let me say this. For a person who is 62, I think I get around reasonably well. So I guess when I see some of these cartoons, it kind of hurts your pride a little bit, but I have been in this political arena long enough that that kind of harpooning is just part of the American humor. As long as I can ski and swim and play tennis and play golf and whatever else I do and feel comfortable, it really doesn't bother me any. I do think it is unfortunate to take something that is inaccurate in a physical sense and relate it to policy decisions.

Whom do you believe the Democrats will nominate?

Better than a year ago, I said I thought the Democrats would nominate Hubert Humphrey, and it is becoming more and more obvious.

If Senator Humphrey were the Democratic nominee, what do you think the race would be like?

Hubert and I have joked about it, and I think it would be a good contest. There would be a clean cleavage between the two of us ideologically. Hubert is a gentleman, and neither he nor I is going to get into any sordid political accusations. I know he wouldn't, and I certainly wouldn't intend to. So I think that kind of contest might be very wholesome to the country.

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Kissinger's Rescue Mission

Rarely had Henry Kissinger given himself so downbeat a send-off on the eve of a major mission. Relations between the U.S. and the Soviet Union have soured of late, and his stewardship as Secretary of State has become a political issue. Looking grim and combative, he told a news conference last week that Moscow's meddling in Angola threatens to scuttle both detente and the Strategic Arms Limitation Talks. Nonetheless, Kissinger made a date to meet in Moscow this week with Soviet Party Chief Leonid Brezhnev in an effort to rescue detente by achieving a breakthrough on both SALT and Angola. The situation:

SALT. The talks have been stalemated since July even though Brezhnev and President Ford agreed at Vladivostok in November 1974 to limit each side's strategic nuclear weapons to 2,400 long-range missiles and bombers. Of this number, only 1,320 could carry MIRVs—clusters of independently aimed warheads. But negotiators have not been able to agree on how the limits should be applied to two new weapons systems: 1) the U.S. cruise missile, a 1,200-2,000-mile-range jet-propelled bomb that can be launched from an airplane, ship or submarine; and 2) the Soviet Backfire bomber, whose 6,000-mile range can be extended so that it can reach the U.S. and return by means of mid-air refueling.

The U.S. proposed that the Russians count 273 Backfire bombers as part of its strategic arsenal, in exchange for a like number of cruise missiles, giving both sides 2,673 strategic weapons. That idea was rejected by the Soviets, who argue that the bombers—but not the cruise missiles—should be excluded from any SALT agreement.

Kissinger disclosed last week that Moscow has promised a "significant modification" of its bargaining position, and the U.S. has also prepared a new proposal, despite some misgivings on the part of the Pentagon. Even if Kissinger and Brezhnev agree in principle on a compromise, however, a final pact would require up to two months of further negotiations on details.

ANGOLA. According to Kissinger, the U.S.S.R. since March has sent more than \$200 million in military aid to the Popular Movement for the Liberation of Angola. In contrast, the U.S. had earmarked about \$35 million in arms and equipment for two anti-Soviet factions before the Senate voted last month to ban further aid.

Kissinger feels the U.S. was close to a solution to the Angola problem before Congress got involved and, in his opinion, encouraged the Soviets to continue their intervention. Nonetheless, Western officials believe the Kremlin is still divided over the aid program. Some Soviet defense officials argued that it would militarily overextend the U.S.S.R.; some Foreign Ministry officials feared that the Angola intervention was jeopardizing detente. But the critics were overruled by the Communist Party hierarchy, which favored stepping up help to the M.P.L.A., largely to coun-

THE NATION

THE WORLD Said Kissinger: "Major powers have a responsibility to think about the consequences they will face when they engage their troops or the troops of their friends. It is a lesson we have had to learn; it may be a lesson the Soviet Union should learn."

Kissinger's harsh words at his news conference were intended, in part, to undercut domestic critics, who suspect that in his eagerness to achieve a SALT agreement, he will go easy on the Soviets in Angola. A high-ranking colleague in the Administration maintains that Kissinger is in for more criticism no matter what happens in Moscow: if he achieves a breakthrough on SALT, his opponents may accuse him of making dangerous concessions to the Russians. If he comes home empty-handed, they will say



KISSINGER AT PRESS CONFERENCE
Downbeat send-off.

terbalance Chinese successes in Mozambique and elsewhere in Africa.

However, U.S. analysts believe Brezhnev may be amenable to Kissinger's arguments. Said one high American official: "You can be sure that Brezhnev is reluctant to throw away ten years of detente for the sake of a client in Africa."

Kissinger told reporters that the U.S. might agree to a vague "phased withdrawal" of foreign troops, chiefly South Africans and the far more numerous Cubans. But the Secretary warned that such an agreement would fail if the Soviets, anxious to avoid embarrassing an ally, delayed a pullout until the Cubans had managed to win the war—and that is precisely what the Cubans seemed to be doing in northern Angola last week (see



SKETCH OF RUSSIAN BACKFIRE



U.S. NAVY'S CRUISE MISSILE

the failure proves the bankruptcy of detente.

Such criticism worries Kissinger who last week reiterated that he would resign if he became an issue in the presidential campaign. He is concerned that a politically inspired debate over American foreign policy may further weaken the U.S. position abroad. Said he: "It would be a tragedy if during this election year we did not find some means to put some restraint on our domestic debates in the field of foreign policy." To that end, he plans to meet with the Democratic presidential candidates, and perhaps also Republican Ronald Reagan to work out ground rules for the debate. Otherwise, Kissinger fears, the debate runs the risk of becoming so divisive as to damage U.S. foreign relations for years to come.

INVESTIGATIONS

The King Assassination Revisited

Coretta King marched through the streets of Atlanta last week, honoring the 47th birthday of her slain husband by leading a band of protesters demanding jobs for the unemployed. Before he died, Martin Luther King Jr. had been immersed in planning a Poor People's Campaign with the same goal. Then came the sniper's shot that killed him in Memphis on April 4, 1968, the two-month pursuit of his killer, and the swift conviction of a smirking, small-time thief named James Earl Ray. Yet nearly eight years later, the widespread feeling still persists that King's murder has not really been solved.

In the most recent Harris Poll, 60% of the population has expressed the opinion that there must have been a conspiracy to murder the civil rights leader. Prompted by the revelation that the late FBI director J. Edgar Hoover had conducted a vicious vendetta to discredit King, the Justice Department is probing both the FBI's harassment of him and its investigation of his death.

Tough to Prove. Certainly there are a number of unanswered questions. Why would Ray have killed King? How did he finance a year of travel, ranging from Acapulco to Montreal, London and Lisbon, between his escape from the state penitentiary in Jefferson City, Mo., on April 23, 1967, and his arrest at London's Heathrow Airport on June 8, 1968? How could he have acquired passports, false identification and four cred-

ible aliases without help? For that matter, did Ray—who has repudiated his guilty plea and demanded a trial—really kill King? The evidence against him is persuasive, but it is also largely circumstantial. The case might be tough to prove in court. Because of his guilty plea, Ray's case never went before a jury.

Intriguing answers to some of those questions will be published this fall in a book about James Earl Ray. The book is the fruit of seven years of dogged research by George McMillan, 62, a freelance investigative reporter from Tennessee now living in Cambridge, Mass.* He wrote magazine articles on Southern race problems before working on an NBC-TV special on the John Kennedy assassination. With an advance from his publisher, Little, Brown, McMillan set out in 1969 to do a psychological study of Ray. As he gradually gained the confidence of various members of the impoverished and prison-prone Ray family (he paid Ray's father, two brothers and one sister a total of \$3,850 to help with his research), McMillan became convinced that Ray had the motive, the means and the capability for killing King without any help at all (see *excerpts page 18*).

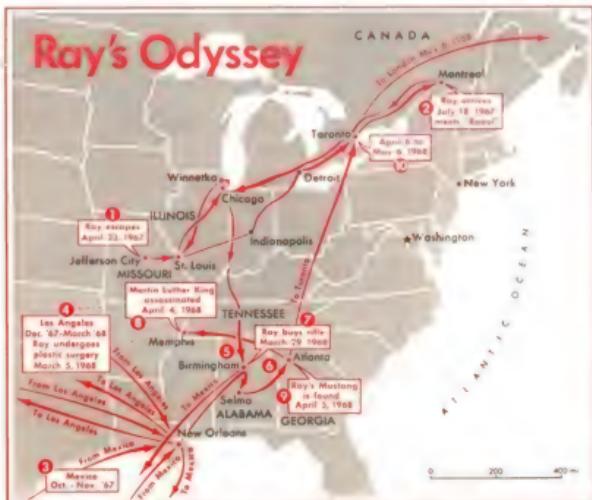
As have other writers, McMillan traces Ray's itinerant and difficult upbringing: eldest of nine children; father

*McMillan's wife Priscilla is writing a book with Marina Oswald on President John Kennedy's assassination.

sometimes fixing and trading junk cars, hauling with a pickup truck, dishwashing, more frequently out of work, then abandoning the family; mother turning to alcohol; two brothers often in prison or reform school; one uncle a convict; life, with no privacy, in a farm shack near Ewing, Mo., and in a grandmother's house in Alton, Ill.; postwar service as an Army MP in Nürnberg, Germany; a discharge for a "lack of adaptability" to military service.

Window Fall. Ray was a bungling burglar. In his first known job, he dropped his savings-account passbook and Army discharge notice in the Los Angeles cafeteria he had broken into. Chased on foot by police after robbing a Chicago cab driver, he fell through the basement window of a house. In a dry-cleaner burglary in East Alton, he was surprised re-entering the place for more loot by cops who had noticed the window ajar. After stealing postal money orders in Illinois with a friend, he left a trail of poorly forged cashed orders and was caught. During two grocery-store stickups in St. Louis, he and accomplices scooped up about \$2,000 from cash registers and passed up some \$30,000 in locked safes. Arrested after the second stickup, he insisted on taking the stand in his own defense and was unable to offer a credible alibi. On March 17, 1960, at the age of 32, Ray was sentenced to 20 years in the Missouri state prison in Jefferson City. His accomplice got only seven years.

McMillan claims that Ray was a Nazi sympathizer who used to give the



THE NATION

"Heil Hitler" salute around his home (this was one reason he requested duty in Germany); that he was an anti-black racist; and that he developed an intense hatred for King. McMillan supports these claims with statements quoting Ray's relatives, criminal accomplices and fellow inmates. They may all be shaky sources, but they would seem to have little reason to lie about Ray. McMillan quotes one of Ray's burglary accomplices, Walter Rife, for example, as saying: "Yeah, Jimmy was a little out-

to see how to get out of the country."

Yet Jerry, a drifter for many of his 40 years and now a night watchman in northern Illinois, changed his story last week and told *TIME* in an interview that the mysterious Raoul was behind everything. Jerry insisted that his brother had been "set up" in the case and quoted Ray as telling him recently: "I've got witnesses to prove I was some place else when the shot was fired." Jerry now claims that he never talked to Ray on the day of the murder.

McMillan maintains that Ray was sending large sums of money out of prison and that this was sufficient to cover his expenses and travel for the year in between his escape and his arrest. Although a failure as a crook, Ray was a sharp operator in prison, a moneymaking "merchant" who dealt in drugs, prison food supplies and other contraband.

Illicit Earnings. McMillan reports that Ray's brothers Jack and Jerry gave Ray \$4,700 in cash in a Chicago hotel right after Ray's escape, while Jerry retained another \$1,500 for Ray to use later. In all, according to McMillan, Ray had sent out from prison illicit earnings of about \$6,500, then netted about \$500 in laborer's jobs while a fugitive and probably spent about \$6,800 in his year of freedom. Ray committed a holdup in England before his arrest, indicating that his funds probably had run out—and that no conspirators seemed to be financing him, at least then.

The McMillan book also tackles some peripheral questions that have bothered other investigators. Why did Ray order expensive photo equipment from a Chicago supplier? Possibly to see if he could make money selling pornographic pictures. McMillan quotes two of Ray's brothers as saying they discussed this venture with Ray. Why did he drop a bundle of evidence, including a rifle and binoculars, on the sidewalk near the rooming house from which King was shot? Because a police car was near by and Ray feared he would be caught with the goods.

But how could Ray obtain false ID and passports and thus elude police for so long? McMillan's book, which drops the narrative after the shooting of King, suggests that Ray had picked up some of his aliases from the novels he had read. Since four of the names Ray used in his flight, including Eric Starvo Galt, were living residents of the Toronto area, the explanation of other investigators sounds more reasonable. They claim that Ray went to a Toronto library, looked at old newspapers for birth announcements that gave names of men roughly his own age and picked up his aliases from them. He might well have learned of this tactic while in prison. At least two of the men whose names were used by Ray received calls from someone posing as a government official and inquiring if they had ever applied for passports; Ray presumably did not want to get



MEETING "RAOUL" IN MONTREAL BAR

caught by applying for a passport that had already been issued. He did, in fact, get a passport merely by swearing that he was "Ramon George Sneyd," a Canadian citizen. Ray's false identity had been cleverly established; he even underwent plastic surgery in Los Angeles to alter the shape of his nose—but in the end he left a telltale series of fingerprints at the scene of the King crime.

But what of a more serious concern—that the FBI either bungled the whole investigation because of Hoover's hatred for King, or may even have helped plan the murder? As part of its own fresh investigation of the King case, *TIME* has learned that a Justice Department re-

AFTER PLASTIC SURGERY IN LOS ANGELES



raged about Negroes. He didn't care for them at all. Once he said, "Well, we ought to kill them, kill them all."

Was Ray recruited by conspirators to kill King? According to McMillan, he was plotting the murder well before he escaped from prison by hiding in a large crate used to carry loaves of bread to a prison honor farm (this required an accomplice in the prison). Moreover, McMillan quotes the assassin's brother Jerry as saying that Ray telephoned him from Memphis on the morning of the murder and said he was going to get "the big nigger" the same day.

Ray has long claimed that he had met a mysterious Latin-looking man he knew only as "Raoul" in Montreal bar after his escape. Raoul, Ray insisted, had planned the murder and given Ray money to buy a car and a rifle and to finance his travels. But Ray's brother Jerry told McMillan: "The whole thing about Raoul and running drugs from Canada was bullshit. He went to Canada the first time to look the place over.

view of the FBI's work will conclude there is no evidence of any kind that the FBI 1) helped arrange the killing, or 2) failed to do everything it could to run down the sniper and any conspirators. Since the FBI is an arm of the Justice Department, of course, that will carry little weight with most critics of the FBI's role. A more independent review would be required to still all doubts, and in fact Justice officials apparently will urge that a special prosecutor or independent commission be named to make a separate inquiry.

Raise Doubt. Ray is now pushing for a trial, claiming that he was coerced into pleading guilty by his lawyer at the time, Percy Foreman. An expensive and



BUYING RIFLE IN BIRMINGHAM

flamboyant attorney, Foreman believed that the case against his client was so strong that only a guilty plea could save him from execution. Moreover, Foreman argued, a Southern jury, in the aftermath of national revulsion over the John and Robert Kennedy assassinations, would want to show that the South did not tolerate such acts. Nevertheless, one state witness, who claimed to have seen Ray leaving the rooming house after the shooting, seemed unreliable. The bullet that hit King was too fragmented to be conclusively linked to Ray's rifle by ballistics tests. No one saw Ray shoot. A sharp lawyer presumably had a chance to raise reasonable doubt in the minds of a jury about Ray's guilt. On the other hand, the lawyer would have had to explain Ray's thumbprint on the weapon, his purchasing binoculars and a rifle, and the fact that Ray rejected a room in the Memphis rooming house where he stayed in favor of one with the assassin's view.

Among the experienced writers who spent years researching books on the assassination, most (including McMillan, Gerold Frank and William Bradford Huie) have concluded that Ray acted alone. Even if they are right, their work is unlikely to dispel all doubts in a period when, with some justification, many people are unwilling to reject readily any conspiracy theory.

'I'm Gonna Kill That Nigger King'

Some key excerpts from George McMillan's book on the assassination of Martin Luther King, to be published in the fall by Little, Brown:

Ray's Hatred for King

In 1963 and 1964 Martin Luther King was on TV almost every day, talking defiantly about how black people were going to get their rights, insisting that they would accept with nonviolence all the terrible violence that white people were inflicting on them, until the day of victory arrived, until they did overcome.

Ray watched it all avidly on the cable-block TV at Jeff City. He reacted as if King's remarks were directed at him personally. He boiled when King came on the tube. He began to call him Martin "Lucifer" King and Martin Luther "Coon." It got so that the very sight of King would *galvanize* Ray.

"Somebody's gotta get him," Ray would say, his face drawn with tension, his fists clenched. "Somebody's gotta get him."

In that atmosphere, inside Jeff City, it got so that talk about killing King seemed perfectly ordinary, something rather plausible, not at all unreasonable, certainly possible. Ray and his fellow convict Raymondi Curtis would sit around, often high on speed, while Ray would spin out the details of how he would do the job ... Ray said he would have the place all set up, all lined up, then he would get his money, his papers. It was his idea to get plumb out of the country ...

There had been the time when Ray had thought there might be a bounty on King's head, and he said, in front of Curtis, about King. "You are my big one, and one day I will collect all that money on your ass, nigger, for you are my re-

tirement plan." But as the months passed, Ray seemed to have given up caring about money, if he ever did consider it seriously, for he got so he would say, about King, "If I ever get to the streets, I am going to kill him."

Something on His Mind

On April 24, 1967, just one day after Ray escaped from the prison at Jefferson City, he met his brothers Jack and Jerry in Chicago's Atlantic Hotel. Both brothers are ex-convicts too.

[Jimmy] had something on his mind ... They were about to get down to a reckoning of the money that was coming to Jimmy [funds he had sent out of prison], when he suddenly said, "I'm gonna kill that nigger King. That's something that's been on my mind. That's something I've been working on."

Actually, neither Jerry nor Jack was that much surprised. It was just like Jimmy to get an idea like that, so big, so grandiose. As far as the notion itself, [Jerry and Jack] could not have agreed more, at least as far as hating black people, hating liberals, Jews, but neither of them would have ever conceived of killing King ... [Jerry] told Jimmy flatly then and there that he would help him where he could, but he did not want to be in on that job ... [Jack's] reaction to Jimmy's news was one of unqualified pragmatism: "That's crazy! You can count me out of that deal. There ain't no money in killin' a nigger."

Trying to Help Wallace

On Aug. 22, 1967, Ray and his brother Jerry met again in a North Side Chicago hotel.

The two brothers agreed to keep in touch from this point on. They would write each other ... Jerry even prom-



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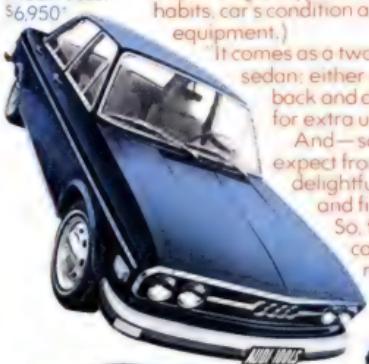
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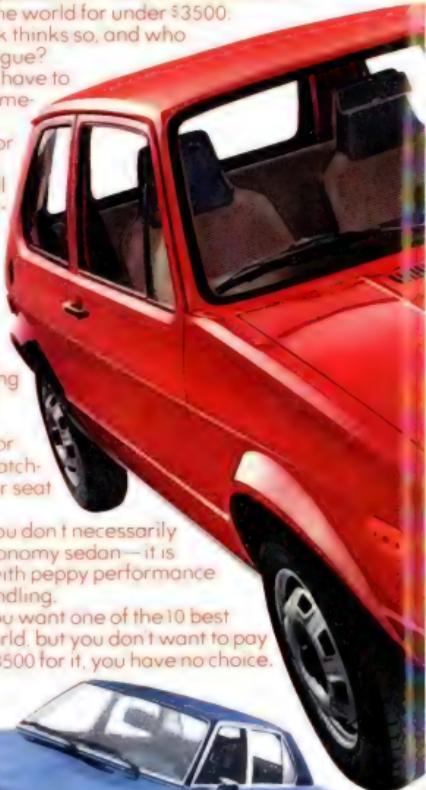
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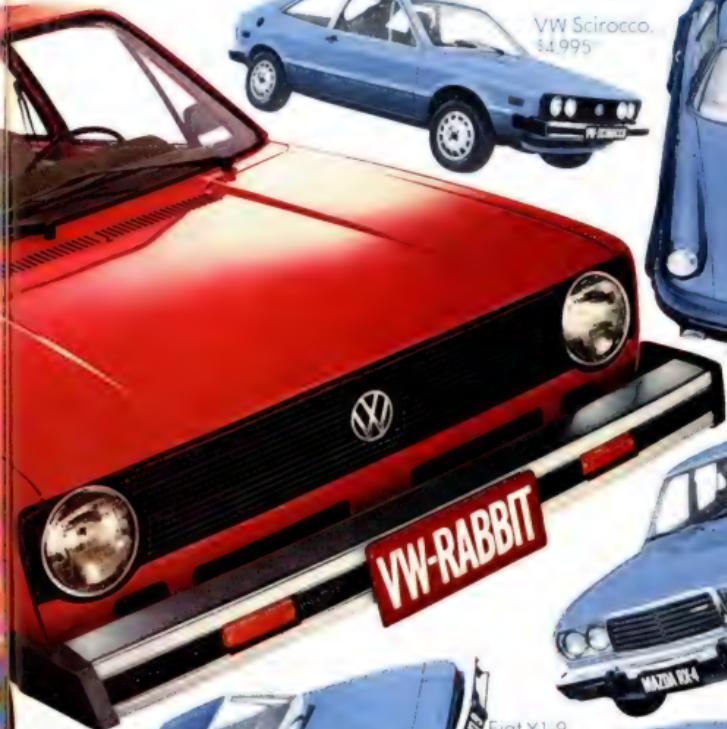


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ised that he would come to wherever Jimmy was if Jimmy needed him badly enough ... Jimmy was pleased to have a confidant, and Jerry was excited, fascinated by the chance to have even a secondhand view of something so big ... It took some of the loneliness out of both of their lives.

"Jimmy was going to Birmingham to take out citizenship papers [establish state residency] in Alabama," says Jerry. "He believed that if he killed King in Alabama or if he killed him anywhere in the South, it would help him if he showed he was a resident of Alabama ... Of course, if he killed King in Alabama, he believed Wallace would eventually pardon him, not at first but after a few years, when things had cooled off."

The presidential campaign of Alabama Governor George C. Wallace was beginning to be taken seriously outside the South. "Jimmy was getting caught up in the Wallace campaign," says Jerry. "He was talking as much that night in Chicago about getting Wallace in as he was about rubbing King out. He had it in his head that it would help Wallace if King wasn't around."

Admiring Hitler

Jimmy had thought Hitler was right and President Roosevelt wrong about World War II ... To a young man like Jimmy, for whom so many things are unsettled, troubling, unresolved—not the least problem of which is his own personal sexual definition—Hitler was powerfully alluring ... The Nazis had a strong, decisive way of dealing with threats. They knew how to put an end to Jews, Negroes. The regeneration of Nazism was comforting; that everyone knew exactly who he was, where he belonged in the scheme of things, was reassuring to a young man whose family was always slipping and sliding around the borders of social class, a family more often than not collapsing into deviance and criminality. Besides, the Nazis were clean, not dirty, not lazy and not sex-ridden. Speedy [Ray's father] had once said that "niggers just lay around and f--- all the time."

A Merchant in Jeff City

It is a misconception to assume that the status a man has in prison depends upon his status or rank as a criminal. It doesn't. The fact that James Earl Ray was a small-time criminal didn't keep him from becoming a "Merchant" [prison term for one who deals in contraband] in Jeff City ... [He] understood prison life, and he knew how to operate with "Big Shots," guards and other prisoners.

The history of Ray's illegal dealings as a Merchant in Jeff City has been very difficult to document. The prison authorities are not helpful. Just the opposite. They can no more admit that they have lost control of the prison, that the prisoners are running it, than they can fly to the moon.

[McMillan found two convicts, Bill Miles and Raymond Curtis, who had served sentences at the same time as Ray and who described some of Ray's activities as a Merchant.] "He was a peddler at Jeff City, all right," Curtis went on. "I've seen him work on a plan as long as 30 days to get a dozen eggs halfway across the prison yard. He stole many a case of eggs in his time, sold them for \$1 a dozen, \$30 a

them for \$1 apiece ... I could give you the names of nine guards who worked with fellas like Ray."

Sending His Money Out

The guard with whom James Earl Ray had his connection ... took his share off the top and mailed the rest to one of the Ray family members, in plain envelopes that bore no return address. He sent it in \$100 bills, wrapped in a piece of plain paper. He sent some to Jerry. It was addressed to Box 22, Wheeling, Ill. When Jerry got the money, he would write "O.K." on a piece of paper and mail it back.

A Motive to Kill

His ideas had come together. The idea of killing King, the idea of working for a new political structure in America, were one ... By killing King, he would become an actor in the turbulent ideological drama of his times, the drama he had heretofore only watched on the celluloid TV. He saw how King's assassination could serve a larger political power by a single act performed by him. And he saw at the end of the road a hero's sanctuary, if he turned out to need a sanctuary, in several places, one of which was Rhodesia.

For him, by this time, killing King was not a luxury. He needed the mission, he needed the concept of killing King to hold himself together. It gave him the cohesion he was utterly dependent on. It was not just a twisted ideal that led him on. It was a compulsive obsession, and he was having trouble sustaining it over the period of time he had set to accomplish his disparate plans ... Given the chain of circumstances of his life, killing King had become Ray's destiny.

On the Day of Murder

And now he made one last call from Memphis. It seems to have been on the morning of April 4 [1968]. Jerry was in Chicago, working in a suburban country club as a night watchman. It was in the morning, Jerry's off-time, that Jimmym phoned. "I don't know where he was in Memphis when he called," says Jerry ... "I guess he talked about two minutes ... Usually when he called, he talked, I talked. But not this time. If I tried to tell him anything, he wouldn't let me. He wasn't wanting any jokes or small talk that day. He was excited and all worked up. What he said was, Jerry, tomorrow it will all be over. I might not see you and Jack for a while. But don't worry about me. I'll be all right. Big Nigger has had it!" [King was killed at 6:01 p.m. that day.]

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RAY IN NASHVILLE'S TENNESSEE STATE PRISON LAST MONTH
A lone plot hatched and financed behind bars?

case ... Sometimes we made raisin jack, sometimes homemade beer. Ray supplied the yeast because he could get it in the bakery, where he worked, and I made the stuff ..."

Curtis told me that to his knowledge Ray had used pills and amphetamines since he had first known him 15 years before. "At Jeff City he was in that business," Curtis said. "Him and another boy had the connection. Ain't but one way to get it in—the guard ... I can't use no names," said Curtis, "but Ray's connection was in the culinary, doing a life sentence. There was a lot of stuff in that prison ... One thing you could do is give a guard \$100 to buy a plane ticket to St. Louis and pick [the drugs] up for you, or even \$500 to go to Kansas City. A fella like Ray would end up paying about \$750 a pound [for speed]. You may sell a whole pound to somebody for \$3,500. With pills you make more. You buy 1,000 for 50¢ apiece and sell

Dangerous Wrecking Operation

About the surest way to get your name in the foreign press these days, or so it seems, is to join the CIA.

In the past 15 months, several hundred agents in Stockholm, Athens, Lisbon, Madrid, Mexico City, London and Paris have had their covers blown, mostly by leftist papers. Last week the leftist French daily *Libération*, founded by philosopher Jean-Paul Sartre, disclosed on two successive days the names of 44 CIA people in the Paris embassy, including the home addresses and telephone numbers of the top officers. In London, a trendy weekly social and entertainment guide called *Time Out* named three

versa. But officials say that CIA contacts with businessmen, journalists and government officials have been damaged by the embarrassment of exposure. Worse, says one White House official, the unmasking makes "agents particularly vulnerable to terrorist acts." Many point to the murder of Station Chief Richard Welch by assassins in Athens in December just a month after his name appeared in the Athens *News*, an English-language daily. As a result, the US has placed round-the-clock bodyguards on high-level officials in Greece. In Paris, CIA staff have reportedly taken to toting guns and traveling in unmarked

Another spur behind the stories has apparently been the Washington magazine *Counter-Spy*, published quarterly by the Organizing Committee for a Fifth Estate, a group of antiwar activists, some of whom are ex-agents. Since its inception in 1973, *Counter-Spy* has named more than 300 CIA agents. One of its co-editors, Tim Butz, 28, a bearded Viet Nam veteran who was a student at Kent State during the antiwar killings in 1970, helped the *Libération* reporters with their expose. His reason to "demystify" the CIA and nail down "personal culpability for war crimes."

Butz says he would give out the names of KGB operatives but "we lack the vehicles for exposing the KGB." *Libération* adds another rationale. The daily is not printing the names of KGB operatives, said one of its editors, "because with the Soviet embassy, we assume everybody is a secret agent."

COUNTER-SPY'S TIM BUTZ WITH AGENT LISTS

FORMER CIA AGENT PHILIP AGEE



new CIA employees in the U.S. embassy (in 1975 *Time Out* printed the names of 62 CIA people with a chart of their embassy offices). At week's end a new Italian daily, *la Repubblica*, front-paged the names of seven CIA agents in Rome. Just two weeks ago, the newsmagazine *Cambo 16*, one of Spain's leading magazines, fingered seven CIA agents in the American embassy in Madrid. Washington fears that CIA operatives in West Germany will be uncovered next. It has reached the point, a U.S. diplomat at the Paris Embassy sarcastically suggests, where the CIA and the U.S. Information Service swap offices, since "it's the CIA that seems to be generating all the publicity nowadays."

Embarrassing Exposure. American intelligence officials profess not to be concerned that the disclosures will help the Russians since, they suspect, the KGB already knows who most of their CIA agents are anyway—and vice

versa. But in most other capitals, the exposure created little excitement, and special security measures were soon dropped. Nonetheless, said Senator Frank Church, "I don't think former officials of the CIA ought to release the names of current agents of the CIA. I think that is contemptible." Suggests Columnist Anthony Lewis, the "whole-sale publication of agents' names [seems] hard to justify—and likely to be a wrecking operation."

The agency lists began appearing after Philip Agee, 40, an ex-CIA spy who now lives in Cambridge, England, published *Inside the Company: CIA Diary* last year. The book identified nearly 250 CIA men and women round the world. Says Agee, who apparently aided the printing of at least several of the lists: "The point of all this is to change the CIA policy of clandestine involvement in the internal affairs of other countries [and] to undermine the agency's work."

YOUTH

Special Effects

There's nothing like good special effects to get an A. "Guided by that standard, Senior Robert Eichen, 17, set to work on a film about drugs and violence for his high school Creative Media class in Alton, Ill. (pop. 39,700), an industrial city about 20 miles northeast of St. Louis. The film was to be only five minutes long, but four characters were to be stabbed, beaten or crushed to death. Reasoned Eichen: 'People like to see blood and guts.' He took particular care setting up a sequence in which two drug pushers attack a young boy, played by Junior Ned Nilsson, 16, an honors student who was not in the class but wanted to help out."

On location in nearby Godfrey, Eichen and his fellow film makers—unsupervised by a teacher because the filming took place during vacation—taped a half-inch-thick piece of soft pine to Nilsson's chest. Then, as the 8-mm-camera whirred, a "pusher" knocked Nilsson to the ground with faked blows of a club.

Hurry Up. As Nilsson lay on his back, the other pusher repeatedly stabbed him. After each knife thrust into the board, the camera was stopped, and simulated blood (water and red food dye) was sprinkled on his chest. But one thrust split the board. Frightened, the assailant, played by Senior Dan Johnson, 17, cried out: "Ned, are you all right?" Nilsson replied: "Yeah, I think so. It doesn't feel too good. Let's hurry up." When the filming ended, he tried to get up but fell backward and passed out. His friends noticed that the simulated blood was suddenly turning darker. They ripped off his shirt and the pine board and saw a purplish hole in his chest. Rushed to St. Joseph's Hospital in Alton, Nilsson lay in a coma for nine days. Last week he died.



AFTER A STRAFING BY LEBANESE JETS, PALESTINIAN REFUGEES FLEE CAMP, IN DOWNTOWN BEIRUT, MOSLEM GUNNER OPENS FIRE



LEBANON

The Military Raises the Risk of Wider War

The civil war that has transformed Lebanon into a scarred battlefield took a sudden and risky turn for the worse last week. Two Lebanese air force Hawker-Hunter fighter jets strafed and rocketed Moslem and Palestinian troops that were besieging Damur, a rightist-held town a few miles south of Beirut International Airport. The attack represented the first time that Lebanese armed forces had plunged openly into major combat since the shooting began nine months ago.

The air force foray heightened the possibility that the Palestine Liberation Organization might enter the Lebanese war in a major way. While some smaller Palestinian organizations have joined in the fighting on the Moslem side, the moderate P.L.O. leadership has so far tried to stay out of the hostilities. It has not wanted to dissipate its strength by fighting in Lebanon. But P.L.O. Leader Yasser Arafat warned that his group might not be able to pursue a "policy of moderation" much longer. If they cannot, the Lebanese right and the P.L.O. may become locked into such vicious fighting that Syria might feel compelled to intervene militarily on behalf of the Palestinians. This in turn could well trigger an armed response from Israel, thus threatening to ignite a new general war in the Middle East.

A Lebanese military spokesman described the Damur air sortie as an attempt to help ground forces recover army vehicles seized in a Moslem-leftist ambush. Orders for the attack apparently came from the Lebanese army

commander, Major General Hanna Saeed, a Maronite Christian. Premier Rashid Karami, a Moslem who is also Minister of Defense, tried to halt the strike when Saeed telephoned him that air action had been ordered. Karami's policy since the civil war has been to try to keep Lebanon's 18,000-member armed forces neutral. He has feared that because the officer corps is predominantly Christian, military intervention in the fighting would inevitably favor the Christian right-wing side.

Famine War. The Moslem siege of Damur was part of what the Lebanese call the famine war. It began in early January, when Christian forces blockaded two Palestinian refugee camps, Tal al Zaatar and Jisr al Basha. A third camp, Dbayeh, was attacked and captured last week. Christian spokesmen insist that they were not trying to starve out the 30,000 inhabitants of the camps but simply attempting to pinch off shipments of arms. Many observers in Beirut believe the blockades are intended to dramatize the role the Palestinians play as a "state within a state" in Lebanon while the United Nations Security Council debate on the Middle East is in progress. A major Christian condition for a cease-fire is that the government demonstrate a clear control over the activities of the Lebanon-based Palestinian guerrillas before meeting the Moslems' demands for political reforms.

Moslem and leftist militiamen responded to the rightist blockades with sieges against Christian villages. In the north, they surrounded Zgharta, the

home town of Christian President Su-leiman Franjeh; farther south, tough mountain warriors of the Moslem sect pushed down the strategic coastal road into Damur.

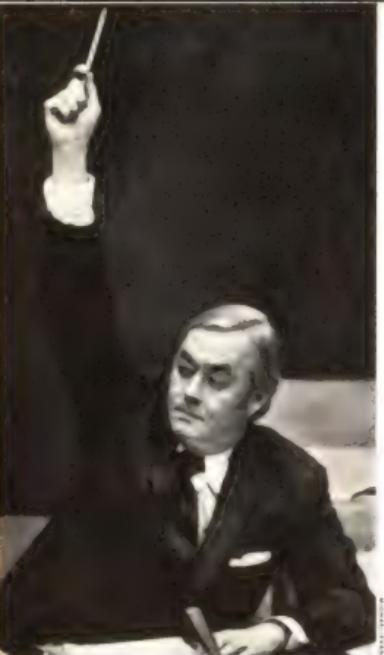
In Beirut, meanwhile, the seaside hotel district was raked by mortar and rocket fire for the third time in three months. The nearby U.S. embassy issued steel helmets to staffers and ferried them to and from work in armored limousines. Fighting also swept through the city's financial district, and got so close to Beirut Airport that the facility closed down for the first time in the civil war. By week's end the recent fighting brought the war's toll to over 9,000 dead.

Despite the fighting, Lebanon's Christian-Moslem Cabinet managed to hold its regular session at midweek, after which Premier Karami declared: "I'm getting all warring parties to accept a compromise settlement to bring the bitter fight to an end." The passions that divide Lebanon's factions have shattered a score of cease-fires so far, however, and the air force's entry into the fighting further weakens the already slim possibility of a lasting truce. Syria's armed forces chief of staff, Major General Hikmat Shehabi, arrived in Beirut just before the strike at Damur to try to help resolve the crisis. His and other Arab efforts seemed to bear some small fruit. As this week began, Premier Karami announced yet another cease-fire. But it was doubtful that the new truce would prove any less fragile than its short-lived predecessors.

THE WORLD

DIPLOMACY/COVER STORY

A FIGHTING IRISHMAN



On one wall in the drawing room of Daniel Patrick Moynihan's apartment in Manhattan's Waldorf Towers hangs a painting of General Custer on a tightrope over Niagara Falls. That peculiarly American image of bravado might seem out of place in the otherwise formal eleven-room suite that is the official residence of the U.S. Ambassador to the United Nations. But it aptly reflects the spirit of fight and daredeviltry that Moynihan has brought to the U.S.'s Turtle Bay headquarters. Diplomatically and intellectually, Moynihan often does this kind of balancing act. Or, in another Custer image, he makes his stand against the anti-American and anti-Western onslaughts he perceives everywhere—but he is not about to suggest that it is a last stand. Moynihan has enraged Third World delegates, discomfited his Western European colleagues, and brought cheer to the hearts of Americans, who have taken to his brand of dukes-up diplomacy and feel that someone is at last talking back at the world.

Last week Moynihan was deep in his latest battle, at the U.N. Security Council. There the U.S. faced a concerted Arab effort to enhance the diplomatic status of the Palestine Liberation Organization, further isolate Israel and devilish American peacemaking efforts. As expected, the U.S. was unable to stand off an Arab drive led by the Syrians to allow the Palestine Liberation Organization to participate in the debate with all the privileges of a member state. Thus a Palestinian delegation, led by the P.L.O.'s "Foreign Minister," Farouk Kaddoumi, made the fourth for-

mal appearance in U.N. proceedings since Yasser Arafat's triumphal arrival at the U.N. in the fall of 1974. Also as expected, Israel's Ambassador Chaim Herzog made good on his boycott threat if the P.L.O. was admitted. The U.S. was thus left alone to defend both Israel and its own Middle East policy.

Early in the week, Moynihan got into a short but sharp verbal tussle with his Russian counterpart. The admission of the P.L.O. delegation, Moynihan protested, showed a "totalitarian" disregard for due process that threatened to turn the U.N. into "an empty shell." Soviet Ambassador Yakov Malik replied: "I agree with the professor, who lectured us that totalitarianism is a terrible thing indeed. But no less terrible is gangsterism." Moynihan had the last, somewhat heavy word: "Totalitarianism is bad, gangsterism is worse, but capitulationism is the worst of all."

At week's end differences between the moderate Egyptians and the more radical Syrians were still preventing the Arab bloc countries from working out a draft resolution that was expected to call for acceptance of "the national rights" of Palestinians and a timetable for Israeli withdrawal from all territory occupied since the 1967 war. Although the U.S. reportedly would be amenable to a resolution that recognized "the legitimate interests" of the Palestinians, Moynihan—who is acting under precise instructions from a somewhat nervous State Department during this debate—said the U.S. would veto any formulation that

THE MANY MOODS OF MOYNIHAN AT WORK IN THE U.N.

The U.S. spokesman should be feared for the truths he might tell.

AT THE U.N.

mentioned Palestinian "rights" or Israeli withdrawal.

Since he hung up his trademark Irish plaid hat at the U.N. last July, Moynihan has become one of the most jarringly diplomatic ever to inhabit the towering glass menagerie on Manhattan's East Side. A big (6 ft. 5 in.), bouncy, exuberant man with a cherubic Irish face and a floppy lock of prematurely gray hair, Moynihan, 48, has a well-developed ability to both charm and infuriate. Walking down a corridor, he can pick up a retinue with a nonstop monologue of patter, pontification and wisecracks ("If the U.N. didn't exist, it would be impossible to invent it").

His style is a blend of Gaelic eloquence, Harvard donnishness and American stump evangelism. In front of a microphone or over a dinner table, he can draw on a broad mental library of recondite words, literary and historical allusions and outlandish bits of jargon to taunt, flatter or flay adversaries. He has stormed the rostrum to denounce the General Assembly as "a theater of the absurd" and to dismiss reports on American imperialism as "rubbish." When something clear and pleasing emerges from U.N. newsspeak, he quotes James Joyce to describe the rare phenomenon: "Its whiteness leaps to us from the vestment of its appearance—the object achieves its epiphany."

When words fail him, which is almost never, Moynihan does not mind making a point peripetically. He will wander into the Security Council during a debate, walk around, sit down, get up, go out and come back in. "We sometimes feel that he does not take the Security Council seriously," complains one East Asian diplomat.

Some delegates fume at his hit-and-run habit of simply walking out of the Council or the General Assembly after delivering a tough speech and letting his deputies handle the fallout. On one such occasion, Moynihan started to stroll out of the Assembly when Saudi Arabia's venerable Ambassador Jamil Barroody was standing at the speaker's rostrum. "Come back, sit down, perhaps you may learn something," Barroody taunted. Moynihan came to an abrupt halt, wheeled around, sat down and peered up at Barroody with a look of exaggerated attention on his face.

Moynihan has won understandably mixed reviews at the U.N. The Israelis are delighted. But many Western allies are less enthusiastic. Before he introduced his resolution on worldwide amnesty for political prisoners (which was quickly defeated), Moynihan failed to consult any other delegations. One important Western ambassador first heard of the resolution when he tuned in to



P.L.O. REPRESENTATIVE FAROUK KADDOUMI LISTENING TO COUNCIL DEBATE ON MIDDLE EAST
A locus of general assault on the principles of liberal democracy.

NBC's *Today* show and heard Moynihan describing it to Barbara Walters as a major American initiative. In a widely publicized outburst last November, Britain's Ambassador Ivor Richard compared Moynihan (without actually naming him) variously to a trigger-happy Wyatt Earp, a vengeful Savonarola and a demented King Lear "raging amidst the storm on the blasted heath." Another Western delegate claims that "never in my U.N. experience have I seen such open criticism of an American ambassador by my colleagues."

On the other hand, some U.N. diplomats admire him without saying so in public. At least one Third World delegate has conceded that his "bluntness was necessary and good." Certainly much of the U.S. would agree. In the seven months since his appointment, messages have been pouring into the U.S. mission in unprecedented quantity—28,261 pieces of mail as of last week, only 191 of which have been critical. The cheers have been coming from both conservatives, who have historically distrusted the U.N., and liberals, whose commitment to the organization is not as automatic as it used to be, partly as a result of Israel's travails. In the press, praise for Moynihan has come from such politically distant quarters as the right-wing *Manchester (N.H.) Union Leader*, which has applauded "the blunt speaking that has upset the cookie pushers in our State Department," and the generally liberal *Atlanta Constitution*, which has praised Moynihan in editorials arguing that "the U.S. should play hardball" in the U.N.

Moynihan has won encomiums from Ronald Reagan, who has invoked his name several times while stumping New Hampshire, and from former Black

Panther Eldridge Cleaver, who says his only criticism of the ambassador is that "his so-called hard line seems too soft to me."

A recent survey conducted by the Opinion Research Corp. showed that although public support for the United Nations is waning, Americans overwhelmingly endorse Moynihan: 70% wanted him to continue speaking "frankly and forthrightly" even at the expense of "tact and diplomacy." Moynihan has a following of sorts in parts of the country where Turtle Bay seems about as close (and vital) as Timbuctoo. Says Texas businessman Kenneth Welch: "Moynihan is a top, rough-cut stone. We don't produce many like that in the U.S." Adds Minneapolis Housewife Marion Lee: "So what if he goes off half-cocked sometimes? I think we need him."

Such views are not necessarily shared at the State Department, where many career diplomats regard Moynihan's pugilistic style as unprofessional and counterproductive. But the growing public support for the fighting Irishman has so far helped to shield him from open trouble from some of those at Foggy Bottom who are known to be uneasy about him, a list that includes the Secretary of State, Henry Kissinger, who is clearly nettled by Moynihan's addiction to center stage. Once Kissinger heard that Moynihan was getting credit for a well-received Kissinger speech that he himself had written. Said he angrily: "Pat Moynihan's attitude is that he gets a good day's work out of me."

Privately, Kissinger fumed when Moynihan threatened to resign last November over what he considered to be tepid support of him by State, but publicly, he insisted that his differences with Moynihan have merely been "over ad-



RICHARD'S MOYNIHAN: RAGING LEAR, RIGHTEOUS SAVONAROLA, TRIGGER-HAPPY EARH

jectives, not substance." At times, the differences have involved a divergence in styles so deep that they have become matters of substance.

Kissinger, however, had a hand in recruiting Moynihan. Early last year, in the wake of a number of foreign policy embarrassments—the fall of Cambodia, the Communist takeover in Saigon, the temporary collapse of Kissinger's Cairo-Jerusalem peace shuttle—Kissinger and President Ford were looking for someone to shore up the U.S.'s increasingly defensive position in the U.N. Moynihan got the job, quite literally through a magazine article—a lengthy analysis of what he called "the massive failure of American diplomacy" published in

the once liberal but increasingly conservative monthly *Commentary*. In it, Moynihan argued that the U.S. was singularly inept at coping with the rapid change that has expanded the U.N. since its founding in 1945 from a manageable round table of 51 nations, with Western democracies in the majority, to a sometimes brawling arena of 144 delegations, more than 100 of which are hostile Third World or Communist countries.

Under the management of an anti-Western General Assembly President, Abdelaziz Bouteflika of Algeria, the 1974 session saw overwhelming votes to suspend South Africa from the Assembly, grant observer status to the P.L.O.

SOME MOYNIHANISMS

Excerpts from speeches, essays and interviews:

POST-VIET NAM. Nations lose wars, and there are almost always consequences that are not so much political as social. [In the U.S.] the elites found themselves assuaged from within. Not to put too fine a point on it, their children would not fight in their war. Before it was over, the ROTC building at Harvard had been converted into a day-care center. Worse, a singularly derelict day-care center... as if fecundity itself had been discredited and shame was everywhere. Time heals such hurts.

GUILT. The Marxist argument has a superior capacity to induce guilt, and [America's capacity to absorb] guilt is what makes us most human as well as, at times, a bit absurd. It is said that if a Communist regime were to take over in the Sahara, there would in time be a shortage of sand. We shall doubtless in time have tested that hypothesis, but we can be fairly confident that to the very end there would be those in the West convinced that the sand had gone to build swimming pools for the rich—in the West, Yeats sensed the mood: "Come fix upon me that accusing eye. I thirst for accusation."

ORDERLY PROCEDURE. When procedure is destroyed, liberty is destroyed. It is not an aspect of governance. It is the essence of government.

THE WORLD

and encourage the creation of raw materials cartels similar to OPEC. At the 1974 special assembly on a new economic order—a meeting occasioned largely by the devastating impact of that year's oil-price increases—the U.S. maintained a hangdog silence while it was accused of wasting energy, warmongering, polluting and eating too much.

After berating the West in public, Third World delegates would often privately explain that only bloc solidarity had motivated their diatribe and that this should not inhibit Western economic aid. As Moynihan put it: "For too long we have been given private assurances that public obscenities were not meant." Rather than turn a deaf ear—much less another cheek—Moynihan suggested the West start fighting back. He urged: "It is time that the American spokesman came to be feared in international forums for the truths he might tell."

The most notable truths—his critics would say half-truths—Moynihan has told concern the poor nations of the Third World. He concedes that in the past there has been exploitation by the West but perhaps, he suggests, economic inequality in the world is less a matter of capitalist rapacity than of the Third World's own economic inefficiency—an inefficiency rooted in history, geography and socialism. The plain, observable facts are, he says, that socialism has proved to be "a distinctly poor means of producing wealth" and that high living standards are associated with relatively free market economies.

Moynihan would concede that planned or mixed economies may be necessary in many underdeveloped nations. Nor does he think that socialism

HUNGER. The Third World must feed itself and this will not be done by suggesting that Americans eat too much.

THIRD WORLD REGIMES. There is no nation so poor that it cannot afford free speech, but there are few elites which will put up with the bother of it.

SOCIALISM. Everywhere save in Europe and a few English-speaking outposts, democratic socialism has become steadily less democratic. We cannot know whether this is because socialism produced demands on government which made democracy impossible, or because socialism was never nearly so democratic as we thought.

AMERICA'S FAULTS. Am I embarrassed to speak for a less than perfect democracy? Not one bit. Find me a better one. Do I suppose there are societies which are free of sin? No I don't. Do I think ours is on balance incomparably the most hopeful set of human relations the world has? (I mean by ours those two-dozen-odd democracies of the world.) Yes, I do. Have we done obscene things? Yes, we have. How did our people learn about them? They learned about them on television, in the newspapers.

AN AMERICAN REVIVAL. Out of the decline of the West there will, I sense, emerge a rise in spirits. We have shortened our lines. We are under attack. [But] there is nothing in our culture that suggests we will not in the end defend ourselves successfully. We are the party of liberty. Always have been, even when least true to it. As the lights go out in the rest of the world, they shine all the brighter here.



By the time he's out of 8th grade America will be out of oil and gas.

Impossible?

No. It's fact. The latest U.S. Government figures indicate our proven reserves will only last:

OIL	12 YEARS
GAS	12 YEARS
URANIUM	30 YEARS
COAL	500 YEARS

These frightening numbers reveal our energy problem. And the solution. Today we use oil and gas for 75% of our needs. And coal for only 17%.

Can there be any question about what we must do? We must conserve. We must use precious oil and gas for those things only they can do. We must...make a national commitment to coal.

What is a "national commitment" to coal? If means recognizing coal as our primary energy fuel. It means converting its power to energy that can substitute for oil and gas. It means a crash program to develop economical liquefaction and gasification of coal.

It does *NOT* mean coal without regard for the environment. It means reasonable regulations to protect the land, air and water and encourage the use of coal.

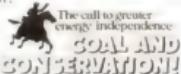
We must eliminate environmental extremism. We can tolerate neither those who would destroy the environment nor those who would be unduly restrictive.

It means, in short, a National Energy Program based on a foundation of Coal and Conservation.

Many are puzzled by what is happening in America. As a people we have some unique characteristics, among them ingenuity and a desire to get the job done. Yet, when it comes to solving our energy problems, we've been chasing our tails.

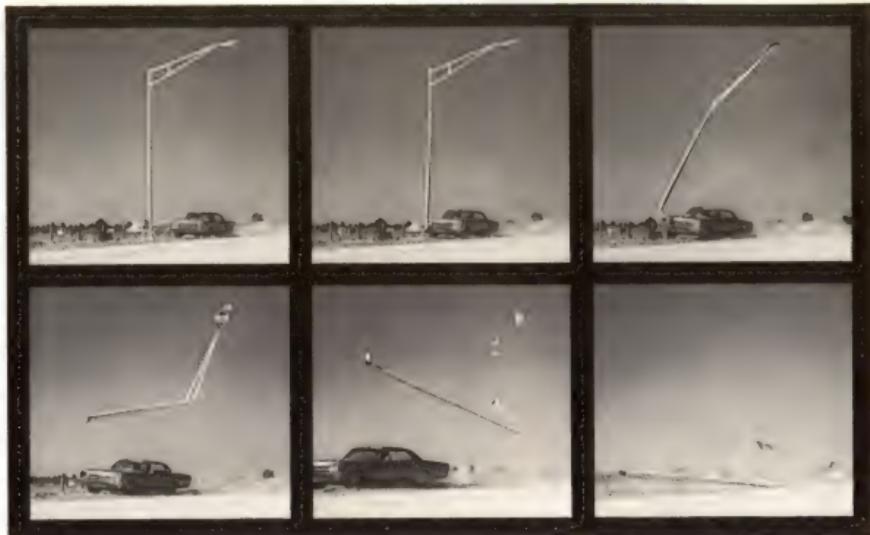
A simple review of our energy fuel assets—and a recognition of the peril of dependence on foreign oil—must lead those who govern and all thinking people to the obvious conclusion that Coal and Conservation is the answer to our near-future energy problems.

It's elementary...even for an 8th grader.



American Electric Power Company, Inc.

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Consider the spun aluminum light pole shown above. It's designed to break clean on impact—not stop your car dead. Hit one and the pole breaks away at the base, flips into the air and falls harmlessly beside the road. Although safety and performance are primary considerations with highway

products, there are secondary pluses. They're light, durable and easy to handle and maintain. In addition, there is aluminum's high scrap value and its ability to be recycled, which saves 95 percent of the energy originally required to produce the molten metal from the ore.

No wonder recyclable, low-maintenance aluminum products help reduce the cost of highway maintenance.

If you would like more information on how recyclable aluminum can help save energy, write Aluminum Company of America, 506-A Alcoa Building, Pittsburgh, PA 15219.

The reasons for using aluminum
are found in aluminum itself.

 **ALCOA**

THE WORLD

is inherently incompatible with American values. He makes the obvious distinction between totalitarian and democratic socialists. The latter, "closely involved with the labor movement, committed to long perspectives in politics," he feels, should be more heavily wooed and relied on by the U.S. in the common cause.

But, Moynihan argues, Third World socialism, which he regards as Britain's most important colonial export, rests on the assumption that there are "vast stores of unethically accumulated wealth" in the industrial countries. Feeling that there were still "scores to be settled" even after independence, Third World radicals began using socialist rhetoric to defend not only redistribution of wealth but "something ominously close to looting." Moynihan sees a spreading "bias for equality over liberty" all over the world. As new nations fail to achieve either equality or economic growth at home, they divert attention to inequalities between nations, ascribing "national ills to international causes."

Thus more and more newly minted Third World nations adopt or accept autocratic socialist forms of government. As a result, Moynihan says, there are today no more than two dozen genuine democracies remaining in the world, and indeed he has suggested gloomily that liberal democracy in the 20th century may be the kind of vanishing phenomenon that monarchy was in the 19th. As a consequence, the U.N. has become "a locus of general assault" by the majority of socialist nations "on the principles of liberal democracy."

Moynihan got his first opportunity to act on his ideas last August. Cuban representatives to the Committee on Decolonization called for recognition of the small Puerto Rican independence movement and proposed that a U.N. commission be sent to the island to investigate charges of American "political oppression." Moynihan made it clear that the U.S. would consider a vote for the motion "flagrant interference" in American internal affairs. Indeed, he made his point so forcefully that one Third World delegate asked a U.S. mission officer: "Are you threatening us?" The officer passed the question on to Moynihan, who answered: "Tell him yes." Debate on the question was suspended by an 11-to-9 vote. Later Moynihan defended his tactics: "The Committee on Decolonization consists of 16 police states, four democracies and four in-betweens. We are not about to be lectured by police states on the processes of electoral democracy."

Moynihan was similarly direct—and successful—last September when the Credentials Committee questioned the Chilean delegation on the ground that it was sent by a military dictatorship that did not really represent the

Chilean people. Says Moynihan: "It was assumed that we would go rrr, grrr, boom, boom, boom, but we didn't. We said, 'That's an interesting question, and since you brought it up, we have here a list of 45 military governments and 35 other governments installed by military coups, and let's talk about them all.' The committee dropped the matter.

Heartened by such successes, Moynihan started to take his show on the road. At an AFL-CIO convention in San Francisco last October, he approvingly cited a *New York Times* editorial that called Uganda's President Idi Amin a "racist murderer" and incorrectly added that it was "no accident" that Amin was chairman of the Organization of African Unity (O.A.U.). Moynihan thus in effect denounced moderate African leaders along with the infamous "Big Daddy"—a mistake that may have cost crucial votes on a motion to postpone, and thus possibly consign to oblivion, the notorious anti-Zionist resolution that the General Assembly passed in November (see chart).

Although most of his skirmishes have been with Third World delegates, last month Moynihan directed his fire at the Soviet Union. When several black African nations introduced an amendment to the *apartheid* resolution condemning South African intervention in Angola, Moynihan countered by standing up and reading excerpts from news stories that detailed the Soviet presence in Angola. Russia is the new colonizer in Africa, he said. "If this Assembly will not face that fact, then what is the good of this place?"

In this episode, Moynihan sidestepped a tacit understanding that Washington and Moscow would not attack each other by name at the U.N.—an arrangement that dates back to the Nixon Administration's first experiments with detente. Russia's Ambassador Malik promptly attacked Moynihan as "an emotional man inclined to invent the most sensational assertions." But the amendment was dropped.

Moynihan sees nothing inconsistent between such ideological attacks on the Soviets and the policy of detente, which he considers an "act of statescraft" by Richard Nixon and Henry Kissinger "that has not had its equal in our time." The trouble, he believes, is that most Americans fail to understand detente because it involves an inconsistency: the conflict between a "technological imperative" that demands cooperation between the two superpowers to prevent nuclear war, and an "ideological imperative" that demands competition. Detente may well mean more rather than less ideological conflict. But living

HOW THEY VOTED

ZIONISM/RACISM RESOLUTION

More and more, the U.S. is outvoted in the U.N. on issues of moral and political importance to the American people. The reason is the General Assembly's one-country, one-vote system. Thus the U.N.'s so-called automatic majority of less developed nations can almost always carry the votes on issues that evoke bloc solidarity, as shown by this tally of last November's balloting on the resolution that condemned Zionism as a form of racism. The 72 nations that voted for the resolution represented 30% of the U.N.'s membership, 72% of the world's population and 30% of its economic activity as measured by gross national product.

AGAINST

ABSTAIN

ARGENTINA	AUSTRALIA
BHUTAN	AUSTRIA
BOLIVIA	BAHAMAS
BOTSWANA	BARBADOS
BURMA	BELGIUM
CHILE	CANADA
COLombIA	CEIL. AFR. REP.
ECUADOR	COSTA RICA
ETHIOPIA	DENMARK
GABON	Dominican Rep.
GHANA	EL SALVADOR
GREECE	FIJI
GUATEMALA	FINLAND
JAMAICA	FRANCE
JAPAN	GERMANY (WEST)
KENYA	HAWAII
LESOTHO	HAITI
MAURITIUS	HONDURAS
NEPAL	ICELAND
PAPUA-NEW GUINEA	IRELAND
PARAGUAY	ISRAEL
PERU	ITALY
PHILIPPINES	IVORY COAST
SIERRA LEONE	LIBERIA
SINGAPORE	LUXEMBOURG
THAILAND	MALAWI
TOGO	MALAYSIA
TRINIDAD-TOB.	NETHERLANDS
UPPER VOLTA	NEW ZEALAND
VENEZUELA	NICARAGUA
ZAIRE	NORWAY
ZAMBIA	PANAMA
	SWAZILAND
	SWEDEN
	UNITED KINGDOM
	UNITED STATES
	URUGUAY

TOTAL VOTES ►	32	35	72
AVG. POPULATION (in millions) ►	14	16	36
TOTAL POPULATION (in millions) ►	440	575	2,607
AVG. G.N.P. (in billions) ►	\$17	\$76	\$19
TOTAL G.N.P. (in billions) ►	\$550	\$2,646	\$1,360

Heil, Chart by V. Wright

Report from Philip Morris

Twelve Year Effort Ends With Unprecedented Flavor In Low Tar Smoke.

New 'Enriched Flavor' discovery for 9 mg. tar MERIT achieves taste of cigarettes having 60% more tar.

The greatest challenge to cigarette-makers in the last two decades has been how to make a low tar cigarette that wasn't "low" in taste.

It seemed impossible.
Until now.

After twelve long, hard, often frustrating years, Philip Morris has developed the way to do it.

The cigarette is called MERIT. It delivers only 9 mg. of tar. One of the lowest tar levels in smoking today. Yet

MERIT delivers astonishing flavor.

If you're looking to become a low tar smoker, or don't particularly enjoy the taste of the low tar brand you smoke now — you'll be interested.

Low Tar. Good Taste: Filters Fall Short

Like most everyone else, we tried to design special "low tar, good taste" filters. Special filters that would somehow allow taste through but not tar.

Like others, we experienced the same general kind of results: the lower the tar, the lower the taste.

So for flavor, we concentrated on the business end of smoking. The tobacco end.

And decided if we wanted more flavor to come through, we'd just have to find a way to start with more.

Smoke Cracked: 'Enriched Flavor' Discovery

So we began an exhaustive research program in cigarette smoke analysis and the ingredients that actually comprise cigarette taste.

By using a very sensitive instrument called an Analytical Fractometer, we were able to "crack" cigarette smoke down into its various ingredients.

We found there are over 2000 separate ingredients in smoke.

Each was isolated and analyzed, one by one.

What we discovered was startling: there are ingredients in tobacco — "key" basic flavor units — that deliver taste way out of proportion to tar.

Breakthrough.

By fortifying tobacco with these natural

flavor essentials, we're now able to pack flavor — extraordinary flavor — into a cigarette without the usual increase in tar.

The discovery is called 'Enriched Flavor.' It's extra flavor. Flavor that can't burn out, can't fade out, can't do anything but come through for you.

Taste-Tested By People Like You

9 mg. tar MERIT was taste-tested against five current leading low tar cigarette brands ranging from 11 mg. to 15 mg. tar.

Thousands of smokers were involved. Smokers of filter cigarettes like yourself, all tested at home*.

The results were conclusive:

Even if the cigarette tested had 60% more tar, a significant majority of all smokers tested reported new 'Enriched Flavor' MERIT delivered more taste.

Repeat: delivered more taste.

In similar tests against 11 mg. to 15 mg. menthol brands, 9 mg. tar MERIT MENTHOL performed strongly, too, delivering as much — or more — taste than the higher tar brands tested.

You've been smoking "low tar, good taste" claims long enough.

Now you've got the cigarette.

MERIT.

Incredible smoking pleasure at only 9 mg. tar.

From Philip Morris.

American Institute of Consumer Opinion. Studies available. Write for request.

9 mg. "tar," 0.7 mg. nicotine av. per cigarette by FTC Method.

Warning: The Surgeon General Has Determined That Cigarette Smoking Is Dangerous to Your Health.

The BMW 530i. An engineer's conception of a luxury car, not an interior decorator's.



One need look no further than the nearest domestic luxury sedan to find ample evidence of a styling department run rampant.

Brocade upholstery, opera windows, cabriolet tops, distinctive hood ornaments, etc., etc., etc.

Yet, underneath all this opulence, one generally finds that the average luxury car is indeed a very average car.

At the Bavarian Motor Works, it is our contention that, although the pursuit of luxury is no vice, when all is said and done, it is extraordinary performance that makes an expensive car worth the money.

So, while the BMW 530i features a rather lengthy list of refined luxuries, it also features a singularly responsive 3-liter, fuel-injected engine that never fails to astound even the experts with its smooth, turbine-like performance.

It features an uncanny four-wheel independent suspension system — McPherson struts in front and semi-trailing arms in the rear — that allows each wheel to adapt itself instantly to every driving situation, smoothly and precisely. Giving you a total control that will spoil you for any other car.

It features a solid steel passenger safety

cell, two disc-braking systems instead of one, and an interior that's bio-mechanically engineered to prevent driver fatigue. Each seat in the 530i has an orthopedically molded shape. All controls are within easy reach. And all instruments are clear and visible.

Impressive?

No less an authority than *Road & Track* magazine unequivocally calls the 530i "...one of the ten best cars in the world...the best sports sedan, period."

If you'd care to judge for yourself, we suggest you phone your BMW dealer and arrange a thorough test drive.

The ultimate driving machine.

Bavarian MotorWorks, Munich, Germany.





MOYNIHAN TENDING BAR IN NEW YORK (1950); REVIEWING GURKHA SOLDIERS IN NEW DELHI (1973); AT ARCHERY CONTEST IN BHUTAN (1974)

Also, an addiction to ideas and phrase-making that has brought a needed dose of humor and humanity to government.

with such contradictions, he argues breezily, is "not at all unnatural."

It has not helped, Moynihan believes, "that we picked the wrong word to describe the process. Détente is a French word—perhaps the cause of precision would have been better served had we chosen something from the German"—which means relaxation of tension, as with physical objects like muscles. Now such wholesale relaxation is exactly what will not happen under détente."

Moynihan's critics say that such subtle distinctions are not evident in his rhetorical flights, especially against the Third World. They claim that his tactics only force the more moderate Third World delegates into a face-saving solidarity with their more radical colleagues. In effect, they argue, Moynihan ignores the famous Kennedy dictum, "Don't get mad, get even"; instead of venting his anger, he should be pressing for practical results.

Moynihan retorts that practical results are exactly what he is getting. Far from hardening Third World enmity to the U.S. and other developed countries, his tactics have begun to break up bloc voting in the U.N. For instance, when the anti-Zionist resolution was in committee last October, two African delegates voted against it and 14 abstained. In the General Assembly vote in November, five African delegations voted against it and eleven abstained. Moynihan believes that the U.N. is still useful, not only as an occasional peace-keeper but as an instrument of persuasion. The U.S. mission has acquired a new tool: a computer to help keep track of votes for or against U.S. in-

terests, which in turn may help decide who will get U.S. aid.

Moynihan is rankled by suggestions that his tactics are too "confrontational." Said he in an interview with *TIME*: "Now, in one issue after another the attack came from others and we defended ourselves. That isn't a doctrine of confrontation." He quoted an ironic piece of French doggerel: "*Cet animal est très méchant! Quand on l'attaque, il se défend!*" (This animal is very wicked when it is attacked, it defends itself). Moynihan added: "Do you have any sense of the depth of appeasement that comes out of discerning in self-defense an act of confrontation? Do you realize how passive everybody had become?"

Passive has never been the word for Pat Moynihan. Although he grew up in Manhattan, his route to the U.N. was circuitous. Born in Tulsa, Okla., on the eve of St. Patrick's Day, in 1927, he was brought to New York by his parents when he was six years old. His father, a classically hard-drinking newspaperman, walked out on the family in 1938. Much of his adolescence was spent shining shoes, hawking newspapers and tending bar in Moynihan's, the saloon his mother opened on New York's rough and garish 42nd Street.

Other stops on Moynihan's long road to the U.N. included high school in East Harlem, and a longshoreman's job on the Hudson River docks. At the urging of a friend, he took the entrance exam for New York's tuition-free City College, "mostly to prove that I was as smart as I thought I was." In something of the same spirit, he went on to a Ph.D. at the Fletcher School of Law and Diplomacy at Tufts University, an academic career as a professor of education and urban politics at Harvard, and a parallel political career that has brought him jobs in two Republican and two Democratic Administrations.

After serving as Assistant Secretary

of Labor under both Presidents Kennedy and Johnson, Moynihan, who still labels himself a liberal Democrat, took two leaves from Harvard to work for President Nixon. During his years with Kennedy and Johnson, Moynihan helped draft the Government's first antipoverty programs. Then, by enticing Nixon with visions of becoming the American Disraeli, the British Tory Prime Minister fanned for his progressive social legislation, Moynihan almost succeeded in getting his Republican President to push the Family Assistance Plan through Congress. The FAP, a truly innovative plan for a federally administered guaranteed-income program, might well have been an important first step toward reforming the nation's welfare mess.

Twice in his career, Moynihan has been temporarily undone by his addiction to phrasemaking. In 1965, he wrote the still controversial "Moynihan Report," which argued that most of the social disadvantages suffered by American blacks are traceable to the instability of Negro family life. Although Moynihan clearly attributed that instability to more than two centuries of racial oppression, several black leaders took offense at his use of terms like "tangle of pathology" to describe the Negro family. Shortly afterward, Moynihan left his job at Labor. His stint as director of Nixon's Urban Affairs Council ended a year after his memo urging a period of "benign neglect" of the racial issue was leaked to the press in 1970. Moynihan still bristles at what he regards as widespread misinterpretation of that phrase. It did not, he insists, refer to less Government attention to civil rights, but to a need for more care, at a time of high racial tension, to avoid situations "in which extremists of either race are given opportunities for martyrdom."

*Unfortunately, the German vocabulary offers no more precise term for the meaning of détente. The closest approximation is *Entspannung* which, like détente, means a relaxation of tension.

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—such as the 1969 Chicago police raid on the Black Panthers.

After the "benign neglect" flap, Moynihan stayed out of the limelight until Nixon made him Ambassador to India in 1973. Arriving in New Delhi at a time when Indo-American relations were at their lowest ebb—in the wake of the U.S. tilt toward Pakistan in its 1971 war with India—Moynihan wisely decided to keep an uncharacteristically low profile. He stayed close to his official residence, Roosevelt House, which he loathed; he gave private showings of John Ford films to American visitors, and made only one or two speeches. The restraints of the New Delhi post have made the U.N. a doubly welcome forum for his ebullience.

Moynihan's bitterest critics today are doctrinaire liberals who still regard his sojourn in the Nixon White House as treasonous fracturing with the enemy. "He has no ideological underpinnings," complains a Moynihan colleague from Harvard's Kennedy Institute of Politics. "He is not unlike Kissinger. They both have enormous egos, tremendous ambition, a great deal of moral flexibility, and the same kind of little boy attitude—'Look, Ma, I'm dancing.'"

Other critics feel that Moynihan is so intoxicated by ideas that he is apt to skitter along from one to another. Moynihan in turn has spoken scathingly of his fellow intellectuals, in whom he diagnoses a failure of nerve. On one occasion he parodied the plea brought to Nixon by a group of antiwar college presidents: "If you don't end poverty, racism and the war right now, we'll hold our breaths until we turn blue."

Says Harvard Sociologist David Riesman, an old Moynihan chum: "The capacity of Harvard to make people feel vulnerable is incredible, and I think Pat felt that quite keenly. He felt demeaned by having to establish his liberal credentials, pulling out his origins, his work with the Great Society programs. It was the same with the blacks issue. He knows what it's like to be desperately poor; he is a man of very lowly origins, lower than most of the black intellectuals who attacked him."

Riesman is an admirer of Moynihan's all-embracing academic interests, which he says equip him as a diplomat to "deal with issues on a plane of both contemporary and historical perspective." Riesman recalls a Phi Beta Kappa address that Moynihan delivered at Harvard in which he compared student radicals of the 1960s to the Quaker, Leviathan and Digger religious dissidents of Cromwell's England, and then predicted that student activism would die out in the '70s when the demographic bulge

produced by the postwar baby boom subsided. Says Riesman: "There aren't many people who have enough knowledge of the Fifth Monarchy Men of the 1640s and of demographics to advance those two thoughts."

Moynihan's wife Elizabeth, a part-time painter, sculptor and the mother of three teen-age children, says that her husband is, above all things, a word man who is "happiest when he writes every day." He goes to bed reading and wakes up writing—when he sleeps at all, that is. Most nights are a series of fitful catnaps, often with spells at the typewriter in between. At the family's 600-acre dairy farm in upstate New York, there is an old schoolhouse on the property that Moynihan uses as his word-mill whenever he has a chance to leave his

only servant is Hives, a life-sized papier-mâché butler who stands at the door of the apartment wearing the castaway clothes of a warm-blooded English butler who once worked for them. The figure is the creation of their son Tim. With all three children away at school, Hives and a wire-haired fox terrier named Mr. Dooley are the only other live-in members of the Moynihan family. At home, there is a casual, rumpled air about the man. In public, he wears meticulously tailored suits, and his voice acquires a reserved, almost harrumphing Tory tone. In both incarnations, he occasionally indulges a well-cultivated taste for Dubonnet, Scotch, brandy, port or stout. Even Moynihan's critics concede that his unfailing Irish wit and cheer make him a good man to take on a pub crawl.

Moynihan's spreading popularity has inevitably given rise to speculation that he may run for public office, and he is reportedly being strongly urged by supporters to seek the Democratic nomination for the New York Senate seat now held by Republican Senator James Buckley. But Moynihan has denied any intention of running, and he removed his name last week from the ballot for the Democratic primary in Massachusetts.

For the moment at least, Moynihan professes to be content to be the man who loosened up and livened up the U.S. posture in the U.N.—an effort that for him begins at home. One recent morning, the ambassador was chatting with visitors while padding barefoot around his Waldorf Towers suite dressed in a tatty gold dressing gown with a loose thread hanging from the sleeve. Sitting down in the armchair before his Custer painting, he began going over the wire traffic from Washington with a couple of his assistants. "Oh, God," he exclaimed, as another State Department memo was put in front of him. "If you read enough of this stuff, your mind turns to mush!"

On another level, Moynihan hopes to win Americans who are disillusioned by the tougher climate for U.S. diplomacy in the U.N. (as elsewhere) back to a recognition that "ideas matter in world affairs." He adds that in much of the world of the 1970s, with its new nations and new political perceptions, "ideas, just now, are all against us." But that is all the more reason, in Moynihan's view, why Americans should begin to pay more attention to their own ideas, including the increasingly rare faith in political and economic freedom that makes the U.S. what he calls "the liberty party" in the world today. Thus as the Ambassador sees it, his mission at Turtle Bay is not just to raise hell in the U.N., but to give other Americans something to think about.



MOYNIHAN & WIFE ELIZABETH IN WALDORF SUITE
Happiest when he writes every day.

U.N. life behind. The farming is done by a local tenant who pays Moynihan \$350 and 23 gallons of maple syrup a year for the use of the land. At present, Landlord Moynihan is writing the introduction for a volume of collected David Levine drawings, doing "a long essay on the rise of frustration as a mode of social expression," and has just completed a report for the Rockefeller Commission on Critical Choices, "The Quality of Life"—a topic that even Moynihan found intimidatingly sweeping.

Unlike many independently wealthy ambassadors, Moynihan lives entirely off his \$44,600 U.N. salary. The Moynihans are provided with the Waldorf suite, a car and a driver. But their

Now, Back to the Battlefield

"No agreement! No resolution! We have failed the people of Angola!" So said Kenya's Vice President Daniel Arap Moi last week after the collapse of the Organization of African Unity's emergency summit meeting on the Angolan civil war. After three frustrating days of talks in Addis Ababa, the Ethiopian capital, the delegates from the 46 O.A.U. nations gave up their effort to find a way to halt the fighting. In fact, all they were able to do was demonstrate just how little unity there is in the O.A.U. The delegates not only failed to adopt a resolution on Angola, they could not even agree on a final communiqué. Concluded Zambia's President Kenneth Kaunda: "Our failure to find a solution here confirms that the O.A.U. has no power to shape the destiny of Africa."

Neutral Host. The conference was deadlocked from its opening moments. On one side were the 22 nations that back the Soviet-sponsored Popular Movement for the Liberation of Angola (M.P.L.A.), which has been receiving massive arms aid from the USSR and is being helped on the battlefield by some 7,500 Cubans. The M.P.L.A.'s supporters at the O.A.U. included all the former Portuguese African colonies, as well as such leftist states as Guinea, Somalia and Algeria; they endorsed a resolution proposed by Nigeria's strongman, General Murtala Mohammed, urging the recognition of the M.P.L.A. as the legitimate government of Angola. The resolution also called on the O.A.U. to aid the M.P.L.A. in its fight against its two Western-backed opponents, the National Front for the Liberation of Angola (F.N.L.A.) and the National Union for the Total Independence of Angola (UNITA).

The Nigerian proposal was opposed by 22 other nations, among them Zaire, Kenya, Ivory Coast, Zambia, Egypt, Morocco and Tunisia. In what was quickly labeled a "national unity" resolution, presented by Senegalese President Leopold Senghor, this group urged that all fighting in Angola cease immediately and a government of national unity be formed. The resolution further called for an end to all outside military aid to Angola, a demand that was aimed at both the Soviet and Cuban support for the M.P.L.A. and the help the other two factions have been receiving from Zaire, South Africa and the West.

As the summit's host, Ethiopia felt it should remain neutral. Uganda also abstained from the voting because its leader, Field Marshal Idi Amin, is O.A.U. chairman. If South Africa were to withdraw its forces from Angola, most of Black Africa might favor an immediate cease-fire and the installation of a coalition government in Luanda, which

would give a voice to each of the country's varied regional, tribal and political factions. No regime, for example, could govern effectively without the cooperation of the pro-UNITA Ovimbundu tribe in the south. Yet many African states have been unwilling to back the national-unity solution as long as the F.N.L.A.-UNITA coalition is aided by the hated South Africans.

Despite some impassioned speech-making and nearly nonstop lobbying in and around O.A.U. headquarters, neither side budged from its opening position. At times the mood in the O.A.U.'s Africa Hall turned ugly. Reported TIME Correspondent Lee Griggs from Addis Ababa: "One African leader who has attended every O.A.U. summit said that he had never heard such foul or threatening language. When Ethiopia seemed about to join the backers of the M.P.L.A., for example, two opposing delegates threatened to recognize the Eritrean Liberation Front—insurgents who are fighting the Ethiopian government. The summit's most stabilizing force, ironically, was the usually mercurial Idi Amin, who tried mightily to find some ground for compromise."

Soviet Tanks. Before the summit began, it had seemed that the Soviet-backed M.P.L.A. would easily pick up the votes needed to give it an ardently sought O.A.U. imprimatur. Thus the deadlock was a slight victory for the F.N.L.A.-UNITA coalition. But UNITA Leader Jonas Savimbi cautioned that "we still see a government of national unity as the only answer."

After the summit's failure, the fighting in Angola surged. M.P.L.A. forces, using Soviet tanks and rockets, shelled the port town of Ambriz in the north, forcing the F.N.L.A. to abandon it without a fight. In fact, the F.N.L.A. has now evacuated all but one of its key outposts and is withdrawing toward sanctuaries in neighboring Zaire, from where it

plans to pursue a guerrilla-style war. In the southeast, meanwhile, a powerful M.P.L.A. column, reportedly composed of some 1,000 Angolans and 500 Cubans, was marching toward the railway town of Luso, an important UNITA stronghold.

South Africa feared that an upsurge of fighting on the war's southern front would draw Pretoria more deeply into the conflict. Last week South Africa reluctantly mobilized seven additional regiments of its reserves, while economists grimly warned of a drop in living standards—now the highest on the continent—if defense outlays rise.

Angola is high on the list of topics for discussion that Secretary of State Henry Kissinger is bringing with him to Moscow this week. He may try to persuade the Russians to pressure its M.P.L.A. client into accepting some form of coalition government in Luanda. The elimination of the F.N.L.A. from the battlefield may make a coalition more likely, while the M.P.L.A. and the F.N.L.A. have been archenemies for various reasons, including old tribal animosities. The Soviet-backed group and UNITA are not irretrievably far apart.

AMIN SWIMS IN ADDIS ABABA POOL



F.N.L.A. LEADER HOLDEN ROBERTO (LEFT) WITH UNITA'S SAVIMBI AT O.A.U. SUMMIT



CHINA

Last Respects

Chilled by the icy winter air that sweeps over from Mongolia, Peking last week solemnly mourned the passing of Premier Chou En-lai. The ceremonies began in the hospital where Chou died of cancer at age 77 on Jan. 8. For two days his body lay in state, draped in the red flag of the Chinese Communist Party, while high officials, including Chou's wife Teng Ying-chao and First Vice Premier Teng Hsiao-ping, Chou's almost certain successor (TIME cover, Jan. 19), paid their last respects. Also among the mourners were some 10,000 selected "representatives of the masses."

Chou's body was taken in a white hearse to the Papaoshan (Hill of Eight Treasures) Cemetery, in Peking's western suburbs, to be cremated. Nearly a million people lined the route. Then the red lacquer urn containing the ashes was displayed for three days in the Working People's Palace of Culture, the former Exalted Temple used by China's emperors to pray to their ancestors.

Scattered Ashes. In an extraordinary spontaneous expression of grief, nearly two million mourners, wearing white paper flowers on their padded winter jackets, gathered to place wreaths around the Monument of the People's Heroes. Bands of weeping youths gathered to sing the "Internationale" and raise their clenched fists. All over the city people wept unashamedly before portraits of Chou. At midweek the remains were taken to the Great Hall of the People, where party officials listened to a eulogy delivered by Teng Hsiao-ping. A silent mass of people lined the Avenue of Eternal Tranquillity as the hearse bearing Chou's remains moved slowly away to scatter the ashes, as China's official news agency put it, "in the rivers and on the soil of our motherland."

Life in China quickly began to return to normal. In Peking, shops that



GRIEVING CHINESE OFFICIALS PASSING BIER OF CHOU EN-LAI IN PEKING



WOMAN WEPPING IN TIENANMEN SQUARE



had closed for the seven-day mourning period opened their shutters. Workers bicycled through Peking's wide, cold streets to return to their offices and factories. A lively debate in the Chinese press on educational policy, which had been halted when Chou died, was resumed in full force. Peking's official *People's Daily* called in an editorial for a variety of educational reforms, arguing earnestly that if China's schools equipped the masses with "socialist consciousness," they would surely "rise up against revisionism."

In Peking's view, of course, the center of "revisionism" is Moscow. In the wake of Chou's death, China made an important advance in its continuing struggle with the Soviet Union for power and influence in Asia. After months of deliberations and delay on the matter, Japan last week announced it would sign a peace treaty with China that formally ends World War II hostilities. In doing so, Tokyo agreed to Peking's demand that the treaty include a clause opposing "hegemony"—China's current code word for Moscow's expansionist tilt in the Chinese view) foreign policy.

Tense Visit. Significantly, the Japanese made the announcement hours after Soviet Foreign Minister Andrei Gromyko had concluded a tense official visit to Tokyo. During his stay, Gromyko had sternly warned the Japanese not to sign any peace treaty with Peking and certainly not one with an anti-hegemony clause in it. But the Japanese, for their part, were annoyed by Gromyko's refusal to return to Japan the four islands in the southern Kurile chain that the Soviets had seized at the end of the war in 1945. Riled by Moscow's unwillingness to settle the long-standing quarrel, Japanese Premier Takeo Miki told Gromyko that Japan would sign the treaty with China "as soon as possible." Miki's decision would have pleased Chou En-lai: one of his most important foreign policy aims had been to get Tokyo to tilt more closely toward Peking than Moscow. The treaty that Miki agreed to sign last week seemed to fulfill that goal.

BEREAVED CHINESE YOUTH

Thou Shalt Not —And Shall

While remaining doctrinally conservative in matters sexual, the Roman Catholic Church in recent years has on a practical level adopted a more liberal attitude toward the sexual nature of man. If they did not exactly condone such sexual conduct as premarital intercourse, masturbation and active homosexuality, many confessors, theologians and pastoral counselors took a sympathetic view of the personal problems so often caused by the church's teaching against all three. Others went so far as to question whether some of these sexual activities were morally wrong at all. Last week the Vatican called for a halt to this "new morality," if not to pastoral compassion. In the most ringing naysaying pronouncement since Pope Paul VI's 1968 anti-birth control encyclical, *Humanae Vitae*, it condemned "the unbridled exaltation of sex" and called for a return to traditional Catholic doctrine on sexual morals.

The condemnation came in a 5,000-word statement issued by the Congregation for the Doctrine of the Faith under a "mandate" from Pope Paul. Called a "Declaration on Certain Questions Concerning Sexual Ethics," the statement took seven years to prepare and was reviewed and approved by Paul. It was not just a Vatican idea; instead, it was mostly a response to complaints from Roman Catholic bishops in many nations, particularly in the U.S., that the church was not providing sufficient guidelines for sexual behavior in the wake of the sexual revolution of the '60s and '70s. Relatively few bishops are theologians, and many have been confused and bothered by the support that progressive theologians have been giving to priests disposed to take a conciliatory attitude toward sex.

The decree that resulted from their concern is no wholesale syllabus of sexual depravities. Instead, it singles out those "erroneous opinions" that Rome considers are spreading and causing confusion in the ranks of the faithful. Three areas of sexuality that have caused particular difficulties for Catholics—as indeed for many other Christians—are given major treatment:

HOMOSEXUALITY. To no one's surprise, the Vatican is not about to endorse Gay Liberation. Quite the contrary, it considers that homosexual acts are "intrinsically disordered and can in no case be approved of." The ban is total: to the view held by some moral theologians that sexual relations are permissible for irreversible homosexuals, the declaration replies with a blunt no. Homosex-

uals must be "treated with understanding" and are not always "personally responsible" for their condition but there can be no justification for homosexual acts, which oppose the "moral sense" of Christians, the teachings of the Bible and the "objective moral order."

PREMARITAL SEX. Some writers on morals justify sexual union before marriage, at least in cases where the couple intends to marry. Rome will not have that. Says the declaration: "Every genital act must be within the framework of marriage." The decree reasons that "love must find its safeguard in the stability of marriage" in order to "protect human dignity" and give children the ordered environment they need. This requires nothing short of a marriage contract that is sanctified by the church and "guaranteed by society."

MASTURBATION. Autoeroticism may be undergoing re-examination among Catholic scholars as a normal phenomenon of sexual development, but the Vatican rejects any such idea. Again echoing language it uses throughout, the declaration reaffirms that masturbation "is an intrinsically and seriously disordered act." It lacks the sexual relationship called for by the moral order, one that realizes, in the words of Vatican Council II, "the full sense of mutual self-giving and human procreation in the context of true love."

In dealing with sexual acts, the declaration never swerves from traditional natural-law theory, which holds that "immutable laws" written by God are part of human nature. The church has always transmitted these timeless principles, the declaration says, "however much the opinions and morals of the world may have been opposed to them." The problem today, however, is not only opposition from "the world" but from within the church itself. It will be surprising if the new restatement of sexual rights and wrongs is any more popular—or observed—than *Humanae Vitae*.

While the Vatican was anchoring age-old religious views on sex, those who make a religion out of non-religion were decreeing the opposite in the name of freedom. In the current *Humanist*, a bimonthly magazine published for the American Humanist Association and the Ethical Culture movement, 34 sexologists have unveiled their "New Bill of Sexual Rights and Responsibilities."

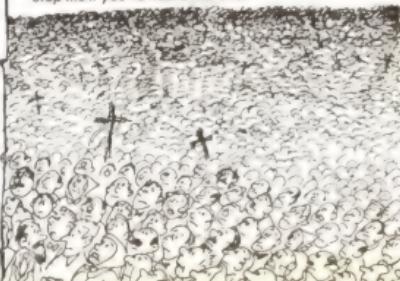
The humanists celebrate "responsible" freedom after centuries of "bondage to church or state." Marriage "where viable" is "a cherished human relationship," but "other sexual relationships also are significant." The 34 signers predict a growing acceptance of premarital, homosexual and bisexual relations. Though prostitution, sadomasochism and fetishism are gently tut-tutted as "limiting," the humanists state that if they are to be discouraged, it should be through education, not laws. Children's genital explorations are considered "learning experiences" that help to integrate a healthy sexuality into the personality. Masturbation is "fully accepted" as "a viable mode of satisfaction for many individuals, young and old."

The humanists are unflaggingly optimistic. "We human beings are embarking on a wondrous adventure," they announce. "For the first time we realize that we own our own bodies." So long as "responsibility and mutuality" are respected, "we need to adopt the doctrine that actualizing pleasures are among the highest moral goods." Which is not quite what the Congregation for the Doctrine of the Faith has in mind.

"Stop me if you've heard this one!"



GEORGE KOBER—THE EDITOR





JAMES CAGNEY IN YANKEE DOODLE DANDY



SUSANNAH YORK STRUTS IN SOHO

MESSICK, LANDERS & PRISCILLA TOAST THE COUPLE

His first vaudeville job offered little training for a future Hollywood heavy, observes Actor **James Cagney** in his new autobiography *Cagney by Cagney*. "It was a female impersonation act," says Jimmy, now 71. "Six guys in skirts, serving basically as a chorus line, and one of the 'girls' was quitting. I filled the vacancy." Cagney, who eventually grew from vaudeville chorine to cinema mobster, says he never felt quite at home with his tough-guy image. That famous grapefruit-in-the-face scene with **Moe Clarke** in *The Public Enemy* (1931), he complains, followed him for years. "Invariably, whenever I went into a restaurant there was always some wag having the waiter bring me a tray of grapefruit. It got to be awfully tiresome." So which of his 62 films did he enjoy the most? *Yankee Doodle Dandy*, in which he played the Broadway music maker George M. Cohan. Says Jimmy, now a gentleman farmer in New York: "Once a song-and-dance man, always a song-and-dance man." These few words tell as much about me professionally as there is to tell."

It was meant to be a vehicle for his wife, Actress **Susannah York**, but Writer **Michael Wells'** newest play looks more like a ride she should have avoided. *The Great Ban*, which opened in London's Soho district last week, stars York as a former actress who lapses into confused reveries, childhood recollections, and a brief impression of Marilyn Monroe. "An unintentional parody of all the worst excesses of fringe theater," blasted *Time Out* magazine. Said the *Financial Times* critic: "I was alarmed to read in the programme that the play is one part of a trilogy." York, now appearing in U.S. movie theaters as the star of *Conduct Unbecoming*, plans to complete her four-week run in Soho despite the bad notices. Even if audiences think the vehicle sputters, obviously the body work looks just fine.

When her sometime friendship with President **John Kennedy** and Chicago Mobster **Sam Giancana** became public knowledge last month, turned up by the Senate investigation of the CIA, **Judith Campbell Exner** seemed sure of one thing. Appearing at a San Diego press conference, Exner, 42, assured reporters that she had no interest in profiting by telling tales out of the White House. She has apparently changed her mind. Last week New York Literary Agent **Scott Meredith** announced that Exner had agreed to write an autobiography and provide details of her relationship with J.F.K. Her asking price for the still unwritten book, said Exner's Attorney, Brian Monaghan, would be "somewhere around \$2 million."

After successfully eluding most photographers for the past 35 years, Actress **Greta Garbo** has now done her famous disappearing act for a Swedish court. The former film star, 70, recently inherited \$720, but court officers have been unable to find the heiress in New York, where she lives most of the year. Their latest ploy: a missing persons' notice in the Swedish government newspaper, *Post och Inrikes Tidningar*. "I don't believe Greta will take the money," mused longtime Garbo friend Countess Kerstin Bernadotte, 65. "Perhaps she'll send it to poor relatives in Sweden."

After 35 years of tracking down big stories for the *Flash Girl Reporter* **Brenda Starr** has finally tracked down her man. The funny-papers heroine, still a red-haired beauty of 23, last week exchanged wedding vows with dashing, eye-patched **Basil St. John** on the cartoon page of 150 newspapers. To celebrate, Starr Creator **Dale Messick**, 69, joined with some 125 well-wishers for a mock reception in Washington, D.C. Lovelorn Columnist **Ann Landers** came to offer advice; **Priscilla of Boston**, who



PEOPLE

designed **Tricia Nixon's** wedding gown, put on a fashion show; and **Ellen Proxmire**, wife of Wisconsin Senator **William Proxmire**, brought a four-tiered wedding cake. Cartoon fans, take heart: Before the evening's end, Messick assured all present that Brenda would stick to her old newspaper beat for some time to come. After all, explained Dale, "she didn't marry a rich boy."

"I was all swollen and puffed up, I looked like a Frankenstein monster," complained Astrologer-Author **Sybil Leek**, recalling her visit to South Carolina last November. Scheduled to address a convention of auto executives, Sybil had stopped by the Hilton Head Inn pool beforehand "for a few deep breaths of good air." The seer failed to see a stream of gas from a rusty chemical cylinder, however, and instead of air, inhaled some escaping chlorine. The result, says Astrologer Leek, was a case of chemical pneumonia, a four-day hospital stay and two months of severe headaches. Forgoing mystical incantations, the astrologer last week resorted to another old remedy: a \$1.5 million lawsuit against the hotel and chlorine company for negligence.

"I'd hold up the camera and I'd say, 'Can I take it?' Sometimes people would run, and sometimes they'd stay still," recounted **Julie Nixon Eisenhower**, describing her first stab at photography during a twelve-day visit to China earlier this month. "I'm not a professional photographer, just a tourist," cautioned Julie, who still managed to click off 288 vacation snaps, including some respectable photos of Husband **David** atop a stone camel at the Ming Tombs. Lest Julie's amateur shutterbugging go awry, Chinese photographers accompanied the couple and presented them with a record of their trip. One other gift was included—a surprise 63rd birthday cake for Dad from the Shanghai Revolution-

ary Committee. "It said 'Happy Birthday, Mr. Nixon,'" disclosed Julie, "both in English and Chinese."

SENATOR JAVITS SLEEPS WITH AGENT FOR IRAN, quipped the *Village Voice* headline in a jab at New York's **Jacob Javits**, 71, and Wife **Marion**, 51. Since September, the paper revealed, the Senator's wife has been on file in Washington as an official agent for a foreign government. The reason: her \$67,500-a-year post as a public relations consultant for Iran National Airlines Corp. The job is the high point of Marion's five-year career with Ruder & Finn, a New York p.r. firm, but possibly compromising for the Senator, who is a member of the Senate Foreign Relations Committee and a supporter of Israel. The couple was quick to dismiss any danger of a conflict of interest, however. Though he felt "very badly" about the job, said Jack, "when it comes to our professional obligations, we pursue independent lives and make independent judgments." Even so, Marion hinted at some wisely tactics she would use when the Senator returned from Washington. "I am going to say, 'Booby, I love you. Come, let's have a drink and talk this over.'"

The somber gentleman playing the washboard in San Francisco last week was no musician. Still, some of that unorthodox syncopation seemed to fit right in with **Turk Murphy's** Dixieland jazz band. "Actually, I've never worked on washboard," confessed NBC's **John Chancellor**. "But I've always played some kind of rhythm—drumsticks, spoons, whatever." Chancellor, who had gone to California for a short vacation, spent one set practicing offstage, then joined the band at Earthquake McGoon's for *I Wish I Was in Peoria* and *The New Orleans Stomp*. Does he aspire to anything greater in music? "Maybe a bigger washboard."



MARION JAVITS RAISES A POLITICAL RUCKUS



CHANCELLOR SYNCOPATES IN SAN FRANCISCO



DAVID EISENHOWER POSES FOR JULIE AT THE MING TOMBS

JULIE GIVES DAD A BIRTHDAY GIFT FROM CHINA

Watching Baker Bubble

Northern Washington State's volcanic Mount Baker has not belched fire since the late 1860s. But now the 10,778-ft peak may be clearing its massive throat for another outburst. Increasing volcanic activity has produced clouds of sulfurous gases and a plume of steam that can be seen in Seattle, some 90 miles away. Mount Baker's stirrings are causing some uneasiness in the town of Concrete (pop. 600), which lies at the mountain's base. While there is little chance that the town will suffer the fate of ancient Pompeii, the U.S. Forest Service has been forced to close surrounding areas to hikers, campers and skiers, and has thus driven away much of the tourist trade that the town depends upon for its livelihood.

Mount Baker first began to stir from its long sleep last March, when unusual amounts of steam or smoke began rising from the Sherman Crater, a 1,600-ft-wide depression left just below the summit by an earlier eruption. Fearful that the steam could melt snow and trigger giant mudslides, the Forest Service closed the shoreline of Baker Lake, shut down several nearby campgrounds, and put much of the mountain off limits.

By August, geologists studying the crater rim found that steam escaping from widening fumaroles, or vents, had

FUMES RISING FROM SHERMAN CRATER

caused considerable melting of snow and weakened several large rock outcrops; they warned that as much as 40 million cu. yds. of rock, a mass three times greater than that of Grand Coulee Dam, could break loose, slide into the lake and trigger flooding. In September, researchers from Eastern Washington State College, wearing oxygen masks to protect them from the sulfurous fumes, made their way through cave passages in a 140-ft.-thick layer of ice and snow to reach the center of the crater. There they found a football-field-sized lake of steaming acid, some of which is leaking into streams fed by the mountain's melting snow.

Hot Air. In an attempt both to record and to foretell Baker's behavior, geologists are trying to emulate the Russians, who recently correctly predicted a volcanic eruption on the Siberian peninsula of Kamchatka. The scientists have installed seismographs on the mountain's flanks to detect the tremors that are believed to precede an eruption and set up instruments to measure the flow and the temperatures of gases escaping from the fumaroles. They are also using sensitive tiltmeters to determine if the mountain is swelling, a phenomenon that could presage an eruption.

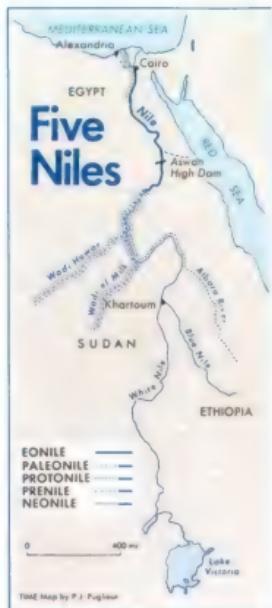
So far, the data collected on Mount Baker's slopes have been inconclusive, and many people in Concrete believe that authorities have overstated the potential dangers of the current activity. "All this steam business is a lot of hot air," says Robert Fader, publisher of the *Concrete Herald*. "Baker has steamed before and it will steam again."

The scientists studying the mountain concede that their activity and reports have proved costly to Concrete. But the Forest Service insists that placing threatened areas off limits makes eminent sense. Mount Baker does not have to awaken fully and erupt in order to be deadly. All the restless giant need do to cause a disaster is to shrug off its snow and earthen coverings.

The Five Niles

Egypt, wrote the Greek historian Herodotus, is the gift of the Nile. He was right. Egypt—or at least its most populous and fertile area—was formed by the rich silt washed down from the East African highlands by the waters of the Nile. But which Nile? According to Egypt's leading geologist, Rushdi Said, 55, the present-day Nile is a relative newcomer to Egypt, having been around for only 30,000 years. Before that, he says, at least four different Niles had flowed through—and then disappeared from—the river basin.

Said, who heads the Geological Survey of Egypt and holds a seat in the



TIME Map by P. J. Pugliese

Egyptian Parliament, bases his theory on evidence he found while doing test borings for the Aswan High Dam in 1961. In some of his core samples, Said was puzzled to find a layer of alluvial (deposited by running water) sediment at a depth of 450 ft. well below the level of the modern Mediterranean Sea. Convinced that such deposits could not have been left by today's Nile, Said began looking into the possibility that they were traces of an earlier river.

Said's study took him along both banks of the Nile and deep into the deserts. He studied the magnetism of rocks to determine when they had been formed, used radioactive dating methods to determine the age of soil samples and fossils and checked other geological records, such as sea-floor samples from the Mediterranean. As a result of his research, Said has traced the history of the Nile back better than 5 million years, and identified at least five different rivers that flowed during that interval. They are

► The Eomile, or original Nile, coursed through Egypt between 5.58 and 5.4 million years ago. Rising near Egypt's present southern frontier and fed by heavy rains, this prehistoric river cut a deep channel as it dropped to

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the Mediterranean, which was dry at that time and closed off at its western, or Gibraltar end. When Gibraltar opened up once more, possibly as a result of earthquakes, water from the Atlantic poured into the Mediterranean, flooding as far into Egypt as Aswan and covering the entire Nile Valley. For 2 million years the valley was a gulf of the Mediterranean. When the encroaching sea retreated, it left behind a layer of salt deposits and marine fossils for Said and fellow geologists to find.

► The Paleonile, or second Nile, followed, emerging around 3.3 million years ago. The biggest and longest-lived of the five rivers, the Paleonile probably rose in the western Sudan after a prolonged rainy period, filling the Nile Valley with silt that eventually pushed the Mediterranean back out of Egypt. Then, around 1.8 million years ago, a 1-million-year drought dried up the Paleonile, gave birth to the Sahara and turned much of Egypt into a desert that Said says must have resembled the arid "Empty Quarter" of Saudi Arabia.

► The Protoneile, the third of the great rivers to flow through Egypt, came to life some 700,000 years ago during a brief rainy period, then died quickly when the rains stopped.

► The Pre Nile, river No. 4, appeared 620,000 years ago. Fed by rains in the highlands of Ethiopia and the western Sudan, the river flowed for nearly half a million years before vanishing during another period of aridity.

► The Neonile, or present river, emerged a mere 30,000 years ago. Fed, like its predecessor, from rains on the East African plateau, the river is the only major source of water in a virtually rainless country. Before the High Dam was built, the river dropped substantially during the winter and rose to flood levels during the summer.

Said believes that the behavior of the fifth Nile led to many of the accomplishments of Egyptian civilization. Man made his appearance in the Nile Valley toward the end of the period between the death of the Pre Nile and the birth of its successor, and had to adapt to the river in order to survive. He rose to the challenge superbly. The ancient Egyptians developed geometry so that they could mark out landholdings and lay out irrigation ditches; they invented a practical calendar to keep track of the seasons, and created a government to coordinate their attempts to cope with the forces of nature.

Now the Nile again seems to be in the process of change. Its delta is eroding (it has receded some seven miles since 1878). The erosion has been accelerated by the Aswan High Dam, which holds back silt that was once deposited in the valley and the delta. Free of silt, the river below the dam is flowing more swiftly and eating away its bed. In 20 years, Said believes, the river banks may begin to collapse unless measures are taken to shore them up.

Soviet Superseries

"Who the hell did they beat?" asked a testy Clarence Campbell, president of the National Hockey League, last week after the eight-game series between two Soviet hockey teams and eight clubs in the N.H.L. Nobody important, if Campbell is to be believed. The Soviets, Campbell pointed out, failed against the Philadelphia Flyers and Buffalo Sabres, the two teams that played for the Stanley Cup last spring. The Montreal Canadiens, says Campbell, gave the Russians "a hell of a beating."

The results belie Campbell's convoluted logic. The "beating" the Canadiens administered to the Soviet Central Army Sports Club did not show on the scoreboard: the game ended in a 3-3 tie. Moreover, Central Army defeated the Boston Bruins, and the second Soviet team, the Wings, beat the Chicago Black Hawks, clubs that are leading their respective N.H.L. divisions. All told, the Russian teams ended their tour with five wins, two defeats and a tie.

Most of the N.H.L. could not cope with the distinctive offensive style of the Soviets. Both the Wings and Central Army play disciplined hockey, relying on speedy skating and short passes to set up quick wrist shots. They shoot only when they have worked the puck into what seems like kissing distance from the opposition goalie. Against the Bruins, Central Army was outshot 40-19, but won 5-2. Says Boston Managing Director Harry Sinden: "The Soviets may be the greatest goal scorers we've ever seen. They hardly waste a shot."

The Russians' defensive style is less sophisticated. In fact, the goaltender is the first—and final—line of defense. The Soviet defensemen do not use their bodies to deter opponents as willingly or as often as their N.H.L. counterparts, and

the Russian forwards backcheck hardly at all. But with Vladislav Tretiak guarding the goal, there seemed to be little need. He averaged 39 saves in the four games he played and astounded observers with his catlike reflexes.

Against the Stanley Cup champion Flyers, Tretiak's skill was not enough. The Flyers disrupted Central Army's attack by refusing to chase the puck. Instead they waited at their own blue line—four skaters strong—and checked every Army forward attempting to penetrate the offensive zone. The tactic paid off in a 4-1 victory.

No Penalty. The game was marred by an incident that did little to enhance *détente*—the professed goal of the Superseries. In the first period, Flyer Defenseman Ed Van Impe decked the Soviets' Valeri Kharlamov, and Soviet Coach Konstantin Locketz retaliated by taking his team to the locker room when no penalty was levied against Van Impe. At that point Campbell threatened to withhold payment of the \$200,000 promised to the Soviets for the series if they did not get back on the ice.

Campbell won that battle and claimed victory in the war as well. Yet for the N.H.L., which touts the Stanley Cup as "symbolic of the world's hockey championship," some reassessment is in order. Vyacheslav Koleskov, Campbell's equivalent in the Soviet Union, has suggested that the N.H.L. invite some Russian teams to compete for the cup. Campbell refused, but a rematch of sorts will take place in September. Canada will act as host at a tournament for teams from the Soviet Union, Finland, Sweden, Czechoslovakia and the U.S. The Canadian team will consist of players from both the N.H.L. and the World Hockey Association. More than pride will be at stake: \$150,000 will be awarded to the winner.

FLYER DEFENSEMAN ED VAN IMPE AFTER HITTING VALERI KHLARLOV



Floating World

PACIFIC OVERTURES

Music and Lyrics by STEPHEN SONDHEIM
Book by JOHN WEIDMAN
Scenic Design by BORIS ARONSON

Producer Harold Prince and Composer-Lyricist Stephen Sondheim are men of giant daring, gifts and vision. In *Company* and *Follies*, they gave the U.S. musical theater new horizons. The corollary of valorous risks is the occasional mishap. *Pacific Overtures* might be called Prince and Sondheim's moonwalk musical. They land, but the dra-

men even in most of the women's roles. Much of the show's inaction rests with a narrator aptly called "Reciter" (Mako). Kabuki notwithstanding, this ignores the spare and intensely dramatic injunction that Gertrude Stein gave Hemingway: "Don't describe; render."

Wind and Whirlwind. Much of the evening resembles a lecture interspersed with picture slides. On cue, a cavalcade of people troop across the stage; samurai and sailors, fishermen and merchants, ladies of pleasure and constant wives, a wax puppet of an emperor and a Perry (Haruki Fujimoto) who stomps out a "lion dance" with his long white

and was transfixed with the beauty of a peacock painted on a stage curtain. He remained transfixed. Aronson studied set designing and in 1923 embarked on that large, frightening and decisive immigrant's gamble: the ship to New York and the land of opportunity. In 1927, he won his initial Broadway designing credit for a show called $2 \times 2 = 5$. It was the first of 88 sets for theater, opera and ballet that bear his name. They include *South Pacific*, *The Rose Tattoo*, *I Am a Camera*, *Bus Stop*, *Diary of Anne Frank* and *JB*.

But the golden years of his half-century career have been the past decade, when he has designed all of Hal Prince's musicals from *Cabaret* to *Pacific Overtures*. To see his work is like seeing the graph of a sensitive mind in motion. His perception of *Company*: "Movement in New York is vertical, horizontal, angular, never casual. In Versailles, you bow; in New York, you dodge cabs. Finally, I conceived a set that was basically a gymnasium for acting."

Fans and Prints. When Prince was planning *Cabaret* in 1966, he told Aronson that he saw similarities between what was happening in Germany in the immediate pre-Hitler era and what was happening in the U.S. Boris asked himself: "How do I convey this comparison to an audience? It occurred to me to hang a huge mirror tilted on the stage which reflected the audience. It said, 'Look at yourselves.'"

Pacific Overtures culminates two lifelong love affairs for Boris Aronson, one with painting (he will soon hold his tenth one-man show), and the other with the prints and toys of Japan. To prepare for *Overtures*, Boris collected Japanese kites (a large black kite is used on the opening curtain). He studied the way Japanese wrap things: bamboo structures, for example, are held together by wrapping them in reeds or rattan. He also collected Japanese fans and Japanese prints of Perry's warships. In his cliffside home overlooking the Hudson River located near the town of Nyack, N.Y., Aronson's study is filled with hundreds of sketches for the show. Each one is intricately painted. Some, including half a dozen potential stage curtains, are silk-screened on cotton. Some are done on rice paper, but New York City's fire laws forbid their use in the theater.

Says Aronson: "The Japanese artist has a peculiar way of seeing things. For instance, the white backdrops in *Pacific Overtures* are the way in which the Japanese depict clouds. Since this is a play about issues and not about people and moods, Hal and I decided on white lighting. The white shows everything on stage. It has a crispness, a simplicity, a directness about it." The entire show is lit by the harmony and taste of Boris Aronson's vision.



SCENE DESIGNER BORIS ARONSON WITH MODELS FOR PACIFIC OVERTURES

He took the ship for New York and the land of opportunity.

matic terrain proves to be as arid and airless as the moon.

Unlike a closeup look at the moon, the visual impact of *Pacific Overtures* is ravishingly beautiful. The screens and sets (Boris Aronson) and costumes (Florence Klotz) transport one hypnotically into the realm of *ukiyo-e*, the "floating world" of the Japanese print. The shape and tone of the show is that of a Kabuki-styled operetta. It is audaciously ambitious and flagrantly pretentious. *Pacific Overtures* attempts to portray the Westernization of Japan after the arrival of Commodore Matthew Calbraith Perry's trade mission in 1853. The appearance of Perry's battleship is the evening's show-stopper. First the prow with two baleful headlights looms in the dusk. Then, in accordion fashion, the rest of the ship spills into being like a black dragon. It is a breath-catching moment.

Would that the plot and characters moved with the same authority. The cast is all Oriental and, in Kabuki style, uses

mane flailing the air. *Pacific Overtures* swallows them all like the sea.

Sondheim's score counterbalances this by being agile and clever in the way only he can be. But his forte is sophisticated parody, and only in a song called *Someone in a Tree* does palpable emotion linger. The final impression is that the show belongs to the flagellant school of contemporary American self-criticism. Whether he means to or not, Prince seems to be arguing that the U.S. opened up Japan by force, sowing the wind of brutalizing social change and thus reaping the whirlwind of Pearl Harbor and global commercial competition. No amount of elegant screens, Oriental cosmetics and Kabuki fineness can conceal the simple-mindedness of that line of thought.

T.E. Kalem

Boris Aronson is 76, but he has obviously drunk at some fountain of creative vigor. He was born in Kiev, where at eight he wandered into an opera house



The storyteller (Soon-Teck Oh) holds up fan (left); closeup of Commodore Perry (Haruki Fujimoto) during the Lion Dance number.



Perry's flagship blazes into port (above); ricksha riders (below, left); First Councilor (Yuki Shimoda) with foreign admirals.





The First Councilor (Shimoda) and the Shogun's mother (Alvin Ing) upon first hearing that Perry's ships are on their way.



Madam and girls await foreign sailors; British tars seduce lady; and (below) emissaries report that Perry's landing is imminent.



BANKING

Digging Out of the Bad Debt Mess

Walter Wriston, chairman of First National City Bank of New York, made an unplanned Sunday flight back from sunny Jamaica to snowy Manhattan. David Rockefeller, chairman of Chase Manhattan Bank, returned from a stay in Maine and immediately got on the phone in his elegant New York town house. Both felt they had to draft immediate statements rebutting the scary implications of a story in the *Washington Post*. Under a headline that sprawled across six columns of the front page, the *Post* reported that Citibank and Chase had landed on a list kept by the Comptroller of the Currency, a chief U.S. banking regulator, of "problem" banks. Reason: they held a relatively large volume of questionable loans in relation to the capital they had on hand to cushion potential losses. That merited a closer-than-normal watch over their operations by regulators.

Rockefeller termed the *Post* story "the moral equivalent of publishing raw data from an outdated FBI file." He insisted that Citibank's condition is "excellent." Rockefeller called the story "a clear case of irresponsible journalism" and asserted that Chase is "sound, vital and profitable." Comptroller of the Currency

James E. Smith noted that all the information was taken from outdated reports some 1½ years old. Both banks have had subsequent inspections and, except for the loan losses, they apparently more than satisfied the examiners. The banks, said Smith, "continue to be among the soundest banking institutions in the world." The *Post* itself pointed out that neither Citibank nor Chase faces "any immediate financial difficulties." It is believed that the information was leaked to the *Post* by a low-ranking official with access to the reports. Disclosing the results of a federal examiner's bank report to a newspaper or anyone else is illegal.

But though the *Post* story was vastly overplayed and gave little perspective, it did touch on real concerns within the banking community. The comptroller's office no longer keeps the list that the newspaper described, but it did until sometime last year. Citibank, the second largest U.S. bank, and Chase, the third largest, really had been on the list. And the fact that two such giants could have been deemed in need of extra regulatory attention il-

lustrates the pervasive nature of some genuine troubles in the nation's banking system. Collectively, the 14,600 U.S. commercial banks are writing off a record number of loans as uncollectible bad debts—an estimated \$3 billion for 1975, or 50% more than in 1974 and triple the loan losses of 1973. That write-off figure is not as alarming as it seems considering that as of the end of November, large U.S. commercial banks had a

total of \$119 billion in major loans outstanding. But these losses are eating into profits of banks large and small, including Citibank and Chase. Some big banks are even reducing dividends paid to their stockholders, a fairly rare occurrence.

None of this poses the smallest threat to the system's solvency. No major bank failures are expected; banks will be able to meet their loan commitments, and the hundreds of billions of dollars that savers have deposited in them are in no danger whatever (*see box*). But many banks will be more careful in extending new loans, and so some consumers and businesses, especially those with less-than-top credit ratings, will be unable to borrow as much as they want. Indeed, for the banking system as a whole, the current troubles have brought a pause after a decade of pell-mell expansion and diversification in which Citibank and its aggressive, caustically droll Chairman Wriston led the way. The outlook now is for several years of more cautious policies—and tighter Government supervision.

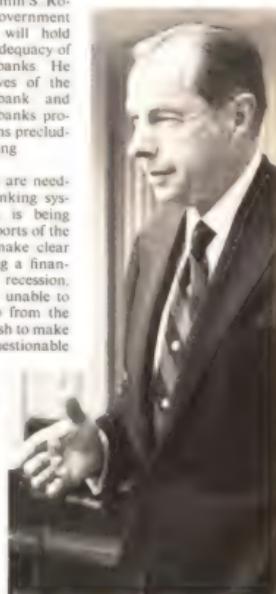
These and other problems are scheduled for public airing on Capitol Hill in the wake of the *Washington Post* story. Wisconsin Democrat William Proxmire, chairman of the Senate Banking Committee, has announced that he will call Comptroller Smith to testify about what Proxmire called the comptroller's "failure to do a vigorous enough job on bank regulation." In the House, New York Democrat Benjamin S. Rosenthal, chairman of a Government operations subcommittee, will hold hearings this week on the adequacy of federal examinations of banks. He plans to call representatives of the comptroller's office, Citibank and Chase. At week's end the banks protested that federal regulations precluded their officers from testifying.

In any case, no hearings are needed to document the banking system's difficulties. That is being done by the earnings reports of the banks themselves. These make clear that the banks are suffering a financial hangover from the recession, which left many borrowers unable to repay their debts, and also from the banks' own past vigorous push to make loans, some of which were questionable in the first place.

Though loan-loss figures for 1975 will not be complete for a few weeks, those now available are striking. Citibank in December disclosed that it would write off a record \$310 million in bad debts for 1975, considerably more than double the \$116.9 million in gross loan losses in 1974. Chase in the first nine months of last year wrote off \$209.7 million, vs. \$64.5 million in the same period a year



CHASE CHAIRMAN ROCKEFELLER
"Vital and profitable."



CITIBANK CHAIRMAN WRISTON
"An outdated FBI file."

ECONOMY & BUSINESS

earlier. San Francisco-based Bank of America, the biggest of all U.S. banks, wrote off only a relatively small \$78 million in bad loans for the first nine months of 1975. Even so, Bank of America and the seven largest New York banks collectively swallowed \$737 million in bad debts during that period, nearly 3½ times the \$215 million total a year earlier.

Loan losses unquestionably will continue heavy through 1976 too, but the experts are divided over whether they will be higher than in 1975. Despite the write-offs so far, banks have a huge backlog of dubious loans still carried on their books. The biggest losses are coming on loans to real estate investment trusts—companies that sprang up in the 1960s to get in on the building boom by financing builders of shopping centers, apartments and other commercial projects. Many banks, including Chase, organized their own REITs—a move that now seems to have been most unwise. As demand for commercial construction collapsed, many builders and property owners were forced into bankruptcy, and the REITs and the banks that they borrowed from were left holding the bag. Collectively the REITs owe banks about \$11 billion—much of which will be repaid slowly and at lower-than-expected interest rates, if at all.

Another source of concern is the \$14 billion or so that U.S. banks have lent to developing countries or their agencies. Many of these countries have been hit by rising import bills for oil, while their revenues from exports of raw materials are tumbling because of worldwide recession.

Zaire, which has been hurt by a drop in the world price of its chief export, copper, recently fell months behind in paying off the \$1 billion it owes to U.S. private banks and has only lately caught up with the help of the International Monetary Fund. Other copper exporters, including Zambia, Chile and Peru, might seek extensions of their loans. Bankers emphasize that a stretch-out of repayment schedules by no means implies that the loans will eventually go into default, but the banks will have to wait to get their money back.

Some experts are also worried about the \$17 billion or so in bank loans to companies that pledged oil tankers as collateral. Petroleum shipments are still being held down by the lingering effects of recession, the spot market price for tanker charters has plummeted, and construction of new tankers has all but ceased. If the loans go bad, the banks will be left to dispose of vessels that probably will not bring nearly a high enough price to repay the loans. Finally, bank holdings of municipal notes and securities, especially those of New York City, have fallen sharply in market value. Thus if they do not want to sell at a

heavy loss, the banks must hold the securities until they are redeemed at full value.

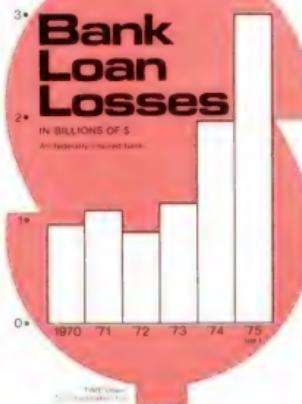
Investors had long taken it for granted that bank profits would go up at least moderately every year. No more: the profit record has turned spotty. Some banks are still increasing their earnings. Bank of America raised its profits in 1975 by 17%. Citibank's earnings for all 1975 will be up about 10%, but the bank recently disclosed that for the fourth quarter it will report its first decline from a year earlier since 1969. Chase in the third quarter reported earnings a stunning 56% below those for the 1974 period, and New York's Marine Midland, after clearing its books of \$25 million in bad debts, expects to report an actual overall loss for the fourth quarter. Marine Midland will also reduce its dividend from 45¢ a share to 20¢.

For all these woes, banks have made substantial progress in rebuilding their capital reserves from the days of late 1974 and early 1975, when the collapses of Franklin National and Security National in New York triggered now forgotten fears about the essential soundness of the system. The buildup in reserves will probably continue. Total bank loans are expected to rise strongly during 1976, if only because economic recovery will stir more demand for credit and the Federal Reserve Board will increase the nation's money supply enough to meet that demand. But caution and quality, rather than hot pursuit of growth opportunities, are the banks' new watchwords.

Says D. Thomas Trigg, chairman of the Shawmut Association, a holding company for eight Massachusetts banks: "There will be more people paying more than the prime rate [the lowest interest charge on loans to top customers], and the margins over

the prime will be greater also. Marginal credit situations are going to look a little more marginal for a while." Richard P. Cooley, president of Wells Fargo Bank in San Francisco, adds: "All banks will be more cautious, very quality conscious. No one is going to reach to make loans."

The most trouble in getting loans will be experienced by entrepreneurs who head young companies with no record of profit growth—even if they have promising ideas. Some bankers themselves are concerned that this is an unhealthy trend for a capitalist economy that relies heavily on entrepreneurs to introduce new products and services, but they see no alternatives. One Philadelphia banker adds that even an established local manufacturer with a record of perhaps ten years of profitable operation may have difficulty in borrowing. If such a manufacturer seeks a loan to expand, says the banker, "we



ABANDONED FLORIDA CONDOMINIUMS FINANCED BY DEFUNCT FRANKLIN



will want to make sure he won't wind up with excess capacity."

The new caution extends beyond loan policy. Most bank managers have ceased, at least temporarily, their ardent pursuit of the Great God Growth. Expansion in the U.S. and abroad and diversification into other businesses have drastically slowed at almost all banks. As far back as a year ago, A. W. Clausen, head of Bank of America, warned his fellow bankers: "Recent rates of growth can be sustained only at a possible risk of eroding future strength and stability." Now J. Richard Fredericks, a bank analyst in San Francisco, puts it more pithily: "Go-go banking has had it."

The go-go era began in the late 1950s and early '60s, with the rise of a generation of bankers unscarred by memories of the Depression's banking disasters. They were determined to fill profitably the ravenous demand for credit aroused by America's post-war affluence. Banks opened new branches wherever the hedge-hodge of federal and state regulations permitted; between 1965 and 1975 the number of U.S. commercial banking locations exploded from 15,756 to 29,223.

In their zeal to stir up consumer business, banks resorted to all kinds of gimmicks: drive-in branches, banking by mail, extended hours. Prizes ranging from alarm clocks to television sets were offered to people who opened a new savings account. They held contests and saturated the home screen with come-on promotions. Big city and regional banks also expanded into Europe, Asia and Latin America, initially in order to serve U.S.-based multinational companies but later to provide a full range of banking services.

In the early 1960s, banks further began to concentrate on "liability management"—the concept of borrowing money to lend it at a higher rate. Citibank developed the negotiable certificate of deposit—a security that offers higher-than-usual interest to a corporation or individual investor willing to leave money in the bank for a fixed period, such as one year. If an investor wants his money back sooner, he can sell the CD to someone else. Formally, the money is a deposit; actually, it is a loan to the bank. Banks also began borrowing from the huge pool of Eurodollars held abroad, and resorted more and more to borrowing each other's excess reserves, called federal funds. Often the banks borrowed money for a short time and reloaned it to customers for much longer periods—forcing themselves to borrow ever more heavily to keep financing their new loans.

The final push for the new banking began in the late 1960s, when bankers discovered a way to diversify. They organized holding companies, each of which took over a bank and then launched into businesses that the bank itself was legally forbidden to enter: leasing of airplanes, trucks and vending machines, purchase of consumer-loan, management consulting and real-estate development companies. Meanwhile, bank representatives competed in scouring the country for customers. Says Rutgers University Professor Paul Nadler: "Everyone was on a drunken kick. Banking became high-volume, low-markup business."

Nadler's comments are overly harsh: the new bankers promoted more economic growth than the legendary gimlet-eyed banker of old, who would grant a loan only to a borrower who could prove that he did not need one. That, at least, is the central argument of Walter Wriston, the strongest champion and exemplar of the new banking. Under Wriston, Citibank has led in international expansion, computerization and the use of large



RUN ON A BANK IN CLEVELAND DURING THE DEPRESSION

How Safe Is Your Money?

More banks failed during 1975 than in any year since World War II—and hardly anyone noticed. The Federal Deposit Insurance Corp. paid out \$310 million to depositors in the 13 small U.S. banks that closed their doors, and that pretty much was that. The smooth performance illustrated a fact of paramount importance in any discussion of banking troubles: since the FDIC was created in 1934, the calamitous run on a bank has become a dim memory, and the safety of money deposited in banks has been just short of absolute.

The FDIC insures deposits of up to \$40,000 a customer in nearly all the nation's banks. It usually does not go into action until a bank either has failed or is precariously close to it. Rather than paying out money itself to depositors, the FDIC will shop around for a solvent bank that can take over the failing one and merely switch names over the doors, sometimes lending money to the takeover bank or indemnifying it against losses. FDIC loans smoothed the 1974 bailouts of New York's Franklin National Bank and San Diego's U.S. National, two of the biggest failures in U.S. banking history, and no depositors lost anything. Last year the FDIC lent \$10 million to Southeast Banking Corp., enabling it to bail out the Palmer Bank Corp. of Sarasota, Fla.

If a bank does go under before it can be rescued, the FDIC dispatches liquidators to go over the books and physically man tellers' stations to dole out money to depositors. Usually they are handing out money four or five days after the bank has closed. A dramatic example occurred in 1970 when Eatontown National Bank in New Jersey, the victim of a multimillion-dollar embezzlement, was closed by Government order, then invaded by a score of banking agents. When anxious depositors phoned the bank, they heard an operator greet them with "FDIC." Eventually \$13.5 million was handed out to 9,904 depositors.

In very rare cases—for instance, when a community's only bank fails—the FDIC will set up a Deposit Insurance National Bank to provide services and will run it for as long as two years, or until investors can be persuaded to establish a private bank. The FDIC's money is provided not by taxpayers but by the insured banks, which pay premiums equal to one-twelfth of 1% of their deposits: a \$3 billion emergency line from the Treasury has never been used. The deposit insurance fund stands at \$6 billion. Over the 42 years of its existence, the FDIC has disbursed \$1.6 billion to depositors in some 500 failed banks. All but \$247 million has been recovered through sale of assets.

There are limits to the safety provided by the FDIC. It does not insure against losses caused by fire or robberies. And people who have deposits of, say, \$60,000 can collect only the first \$40,000 if their bank collapses. But even they stand a good chance of getting most of their money back. Legally, depositors get first crack at any money raised by sale of a failed bank's assets.



FED CHAIRMAN ARTHUR BURNS
A mind-boggling tangle.

ing themselves to borrow ever more heavily to keep financing their new loans.

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Wriston: Man with the Needle

As bankers across the U.S. ponder a possibly troubled future, they inevitably look for leadership to the Manhattan-headquartered First National City Bank. By embarking upon one daring innovation after another, Citibank has indisputably established itself as the premier pacesetter of U.S. banking. The man who charts Citibank's bold course is a tall, sinewy iconoclast named Walter Bigelow Wriston. An uncommon blend of hard-driving executive and reflective, sometimes cynical intellectual, Chairman Wriston arguably exerts greater influence on American financial methods and mores than any other banker—and perhaps even more than all of them combined.

Wriston, 56, provokes both fierce loyalty and fierce hate. The loyalties come from those at Citibank who are inspired by his drive and vision, which have made the bank among the most

envied in the world. The hates spring from Wriston's sharp tongue, which lashes at almost everyone in sight. Even one of his admirers formerly at Citibank says, with only slight exaggeration: "He is arrogant, flip and runs the place with a needle. Every comment is a wise-ass remark."

Not much of Wriston's wit seems funny in print; the effect of his remarks depends heavily on the arched eyebrow and quizzical expression accompanying them—and on a thorough knowledge of the context. Discussing the Penn Central's default on bank loans, he once quipped that the railroad's management "couldn't be equated with Boy Scouts"—a crack that can be fully appreciated only by someone who knows that the line's officers and directors agreed to an out-of-court settlement on shareholders' charges of fiscal mismanagement. Faced once by contradictory accusations from Ralph Nader that Citibank was being too stingy in lending to the poor and at the same time luring the poor into debt over their heads, Wriston asked dryly: "Do I have a third choice?"

No one has done more than Wriston to spur banking into aggressive expansion, and he is totally unapologetic about that course. If banks had not made unconventional loans, he says, the post-World War II explosion of world trade could not have occurred, and the past U.S. recession would have been worse than it was. Says he: "If we didn't want any loan losses tomorrow, theoretically I suppose we could pull out of all marginal situations. But I don't think that would be very good for society."

Wriston directs his fast-growing bank from a tapestried office on the 15th floor of Citibank's home office at 399 Park Avenue. He relaxes by spending weekends on his Connecticut farm with his lovely second wife, Kathryn Ann

Symbolic of Wriston's team approach to problem solving, his desk is actually a wooden round table to which his key subordinates are frequently invited to draw up chairs for long and probing conversations.

Though demanding and autocratic, Wriston gives his subordinates wide latitude for initiative, and he has assembled what is generally regarded as the finest talent in the banking industry. Most of them are young and fit. Wriston's own mold—aggressive, bright, questing. Many of the most promising were recruited outside the banking field, largely from high-powered, consumer-oriented corporations.

While his men charge around the world in search of new loan opportunities, Wriston spends part of his time seeking to enlighten the public and Government in speeches and papers. His confident grasp of world trends and his wry wit make him a refreshingly able advocate. At the height of the Arab oil embargo, Wriston reminded a blue-ribbon Detroit audience that whale oil, once one of the nation's chief means of lighting, doubled in price during the Civil War only to disappear from the market later as lower-priced kerosene usurped its role.

Wriston's chief target is Government interference in the economy, which he believes has ruined or distorted every industry it has touched. Says he: "Shortages become a crisis when Government intervenes to frustrate the ability of the free market to function." He also argues that creeping Government regulation will ultimately erode personal civil liberties in the U.S. "History confirms that when a citizen loses his economic freedom, he ultimately loses his political freedom as well."

"One's life is a series of accidents," muses Wriston, reflecting on how he got into banking. The son of Henry M. Wriston, former president of Brown University and a State Department adviser, Walter Wriston took a master's degree at Tufts University's Fletcher School of Law and Diplomacy and passed the exams to become a State Department officer. But during World War II he was drafted and ended up a Signal Corps officer in the Philippines. Taking the facetious advice of a family doctor, he went into banking in 1946, landing a \$2,800-a-year job as a junior inspector at Citibank's old Wall Street headquarters.

A few years later, says Wriston, "my dart hit the board." George Moore, Citibank's great postwar expansionist, picked the young Wriston to direct the important European operation. Wriston was so successful that within three years he was heading the bank's entire foreign operations. From then on, there was little doubt that the brash young Wriston would some day boss the bank.



AT CONNECTICUT HOME WITH WIFE KATHRYN ANN & IN MANHATTAN OFFICE



ECONOMY & BUSINESS

CDs, and it was one of the first to appreciate the diversification possibilities of holding companies. (Citibank today is officially a subsidiary of Citicorp, a holding company also headed by Wriston, which is involved in mortgage banking, leasing and financial consulting, and runs 148 consumer-loan offices in 19 states through its Nationwide Financial Services Corp.) During the 1970s, Citibank has moved from third to second largest bank in the U.S. in terms of assets, elbowing past its traditional rival Chase. There are persistent rumors that some Chase directors are unhappy and would not be sorry to see Chairman Rockefeller leave—though there is no indication that he will. Wriston's reputation, in contrast, continues to grow even among bankers who are made nervous by his expansion-mindedness.

Citibank is still innovating, currently most aggressively in electronic banking—a field that gives promise of eventually creating a "checkless society," in which funds are switched easily and automatically from one account to another. While that prospect is far in the future, the bank's Citicard system is spurring some interesting changes right now.

Basically, the system is composed of a central computer tied to myriad terminals. When an encoded Citicard is inserted into one of the terminals and buttons are pressed in a given order, the terminal can get various sorts of information from the central computer and quickly and cheaply perform a wide range of transactions. The card was introduced in late 1973 to speed up check cashing. Tellers popped customers' cards into terminals and instantly verified whether the account held enough money to cover the check.

In early 1974, Citicard Centers appeared. That is a fancy name for small terminals spotted about a bank branch, by inserting their Citicards, customers can get information about their accounts without bothering to walk up to a teller's window. Within months the terminals were set up in department stores and other retail outlets to enable bank customers to pay for their purchases with personal checks that the merchant could quickly verify. Today Citibank has terminals in more than 2,500 retail outlets, 120 of them across the state line in New Jersey where it is legally forbidden to open a branch (federal law forbids interstate branching). About 60 banks around the country have followed Citibank's lead and established similar systems.

Obviously, terminals offer banks a way to establish nationwide networks of services. Terminals can be located in stores and shops anywhere and are capable of handling almost all consumer transactions, including deposits and withdrawals, without requiring the customer ever to enter the bank. Legal fights started by small banking interests in Illinois, Colorado and elsewhere will delay the spread of electronic banking, but probably not stop it. Currency Comptroller Smith has already ruled that terminals located within 50 miles of a bank should not legally be considered branches. Thus Citibank once again is in the forefront of expansion, this time riding what could be the most significant banking trend of the century.

In the forefront of expansion is exactly where Wriston intends to keep Citibank. Today, while other bankers talk of retrenchment and caution, Wriston clings to his goal of a 15% profit growth each year (an aim that Citibank did not quite achieve in 1975). Many bankers believe that such a target is more appropriate for a growth company like IBM or Xerox than for a bank, which has the primary responsibility of safeguarding depositors' money. Wriston concedes that rapid expansion may increase bad-loan write-offs, but makes two arguments for doing it nonetheless. Says he: "If we didn't want any loan losses tomorrow, theoretically I suppose we could pull out of all marginal situations. But I don't think that would be very good for society." Anyway, he argues, the big question is not how large the loan losses are but whether banks are capable of handling the risk—"and the answer to that is yes."

For Citibank, that undoubtedly is the answer. But if Wriston and his bank can prosper in the hectic world of go-go banking, some other banks clearly cannot. Overexpansion contributed heavily to the spectacular Franklin National collapse, and lately regulators have been getting chary of how much expansion they will permit. In 1974 the Federal Reserve Board forbade Bank of America to acquire a Swiss insurance company, and in



CITIBANK LOAN STORE

CHASE COMPUTER TELLER

December it refused Citibank permission to acquire three small finance companies in Iowa—a setback that Wriston and his aides shrug off as unimportant.

Perhaps—but these moves foreshadow a much tougher approach by the regulators, after a long period when banking prosperity had lulled them into complacency. Yet the regulators' efforts are weakened by a crazy-quilt system that Federal Reserve Board Chairman Arthur Burns, himself a key bank regulator, has called "a jurisdictional tangle that boggles the mind."

At present, banks that are chartered by the Federal Government are regulated primarily by the Comptroller of the Currency—but they also must join the Federal Reserve System and abide by its rules. State-chartered banks have a choice: they can join the Federal Reserve System and accept its regulation, or they can stay outside—in which case they are regulated by state banking authorities and, in part, by the Federal Deposit Insurance Corp. Practices that might pass muster with one agency would be frowned on by another; not surprisingly, banks have been known to switch their charters from state to federal or vice versa, thereby in-effect choosing their regulators. The system is supposed to foster healthy competition among regulators, but Burns has said that it sometimes leads only to a "competition in laxity."

Lately, pressure has been building in Congress to consolidate most bank regulation into one agency. Theoretically, the Comptroller's Office, the Federal Reserve and the FDIC all go along, but, as might be expected, each has a plan to streamline the system without cutting into its own role. Generally, bankers oppose any major change, on the ground that a central agency would be too rigid and inflexible. Many Congressmen disagree. The House Banking Committee has instituted a massive study called *Financial Institutions in the Nation's Economy* (FINE). The study's chief economist, James Pierce, advances the idea of creating a single new agency that would demand far more public disclosure of a bank's inner workings than is now required, thus enabling investors and depositors to discipline a poorly run bank by switching their money to a better-managed one.

However the argument comes out, many experts now agree that banks must reconcile themselves to much tighter Government regulation of all phases of their operations. Just how close that supervision will be depends to a great extent on how much responsibility bank managers display in handling what is, after all, the public's money.

Gulf Leads Toward a Cleanup

Big business in America has been hurt in past months by recession and inflation, but no wound has been more grievous than the revelations that it has used its money to influence public officials at home and abroad. One scandal has surfaced after another with deplorable regularity, as major corporations have been found making illegal political contributions and payoffs. The predictable results are a serious erosion of public confidence in, and a sharpening cynicism about, the motives of business. To make matters even worse, the penalties imposed on guilty companies have been almost ridiculous—fines so small that they do little to instill confidence in the whole process of law en-

forcement in the U.S. or overseas. That is in addition to the nine companies against which the SEC has already sought civil injunctions and 15 others that cooperated with the commission by probing their own affairs.

The conclusion of Gulf's case shines almost brightly in such a context. The huge company (1974 sales: \$16.5 billion) last year admitted that it had paid \$12.3 million to politicians in the U.S. and elsewhere, most of it from a secret slush fund (TIME, Dec. 8). In response, Gulf's board convened for a marathon session that in many ways had elements of a two-act courtroom drama. Act I opened on a Monday afternoon. Twelve of the 14 directors gathered in the walnut-paneled board room on the 31st floor in Gulf's headquarters tower in Pittsburgh (Bob Dorsey and his predecessor as chairman, retired E.D. Brockett, were not present.) With only a break for dinner, they listened to John J. McCloy, former World Bank chief. Though he had no direct connection with Gulf, he had been chosen by the directors to head a company self-investigation ordered by the SEC. Helping him were Gulf Directors Nathan W. Pearson, a key financial adviser to the Mellon family (owners of about 20% of Gulf's stock), and Beverley Matthews, a Toronto lawyer. The three formed a special review committee and produced a 298-page report. Slowly, cogently, McCloy reviewed the evidence for the directors.

Boy Scouts. The trouble, McCloy found, started in 1959, when Gulf's then chief executive officer W.K. Whiteford decided that his company needed more "political muscle." To get it, he ordered that a covert fund be set up. In 1960 the Bahamas Exploration Co. Ltd. in Nassau was transformed from an insignificant subsidiary into a firm that could "launder" Gulf's money and pass it along to politicians. Whiteford insisted that the fund be kept secret from the Mellon family and from the executives that he called the "Boy Scouts"—E.D. Brockett and Bob R. Dorsey. To the directors at last week's meeting, the key question was whether Boy Scout Dorsey had had knowledge of the fund.

In testimony before the McCloy committee, Dorsey maintained that he did not know of the fund or of the activities of its chief operative, Claude C. Wild Jr., Gulf's lobbyist in Washington. Only in July 1973, Dorsey said, was he informed that the Watergate Special



forcement. Last week saw a climax of sorts when the directors of Gulf Oil Corp.—one of the companies most deeply involved in illegal political-influence buying—took matters into their own hands and fired Chairman Bob R. Dorsey, 63, and two other top executives while demoting a third.

Did this drastic action signal a change in corporate ethics? Perhaps—but it comes too late. Last week too there were new revelations of yet more scandals in the offing. Burroughs Corp. (1975 revenues: \$1.7 billion) discovered suspicious "unauthorized withdrawals of funds from a foreign subsidiary." The implication is that the money might have been passed out in bribes to win more sales of Burroughs business machines. Then the Securities and Exchange Commission announced that it is investigating 30 large corporations, each of which is suspected of having made illegal campaign contributions to



NEW CHAIRMAN McAfee



FORMER CHAIRMAN DORSEY



WHAT CAN MAKE THE DIFFERENCE BETWEEN A SUCCESSFUL OPERATION AND A SUCCESSFUL RECOVERY?

It can happen. The surgery is a success. But if body tissue fails to heal properly, the patient may face the trauma of a second operation.

But now, a surgical mesh made from Marlex® plastic is giving patients a better chance of recovery. It interlaces with body tissue, strengthening it so



Surgical mesh made from Marlex plastic helps thousands of patients recover from surgery.

incisions can heal faster.

And who developed the plastic that helps patients avoid a return to surgery?

The same company that makes fine products for your car.

The Phillips Petroleum Company. Surprised?

The Performance Company





To each

THIS IS THE NEW BUICK CENTURY. CENTURY REGAL.

No doubt about it. Beautiful and intelligent are pretty nifty things to be.

Well, you'll be happy to learn that Regal is one of those rare combinations of both.

In the intelligence department, for instance. Regal has all sorts of things going for it.

First off, it comes in a very sensible size: mid-size. With standard equipment like steel-belted radial tires and front disc brakes. High-Energy Ignition. Which means no more points and ignition condenser to replace.

Best of all, it comes with Buick's timely V-6 engine.

An engine that's gutsy like a V-8, but practical like a six.

To wit, a Regal equipped with aforementioned V-6, and an automatic transmission got an EPA city rating of 17 miles per gallon. And 25 miles per gallon on the highway. Thus trotting off with the best overall EPA mileage of any American mid-size equipped with automatic transmission.

Of course, those are only estimates. The mileage you get may vary. But, 17 and 25. In a *Buick*, no less. Not bad.

All that and beauty too. With clean formal sculptured lines. Big comfortable seats and thick carpeting inside.

Regal.

Proof that some of the best things in life are Buicks.



her own.

THIS IS THE NEW BUICK CENTURY. CENTURY SPECIAL.

Give me the simple life, you say? Good for you.

And, we might add, good for us. Because we've got a great car for you.

Century Special. A trimmed down, aerodynamic, mid-size Buick. With Buick's V-6 engine, a 2.73 rear axle and steel-belted radial tires standard.

Even nicer, it comes with the lowest manufacturers suggested retail price of any Century model.

But even though Special is an economical car, driving one doesn't exactly mean you're roughing it.

It is, after all, a Buick. Which, in anybody's book, still means

a whole lot of built-in quiet, comfort and quality.

Regal. Special. Two of the new Centuries from Buick.

A couple of very good reasons to see your Buick dealer and exercise your freedom of choice for a little freedom of spirit.



BUICK Dedicated to
the Free Spirit in just about everyone.

A mellow way to end the day.

Whenever you serve our brandy you will enjoy the good mellow taste that is ours alone. It starts with choice, sun-ripened grapes which we make into a special wine. Various styles of brandy are distilled from it and left to age in oaken casks. Finally, the brandies are blended with care and pride so each sip has our same unique, light flavor. A tradition of quality we will never change.



Timothy FSC
CELLARMASTER
CHRISTIAN BROTHERS
WINERY, CALIFORNIA

the Christian Brothers Brandy

Our Old World blended with the finest art of wine making
to distill and blend the choice, famous brandy
Old World Quality

Brandy Blended and Bottled Exclusively by Christian Brothers
Ridgeley, California • 80 Proof • 100% Brandy
AMERICAN DISTILLERS COMPANY, NEW YORK

Prosecution Force had discovered an illegal contribution of \$100,000 from Gulf to the 1972 Nixon campaign. He soon learned, too, of donations to two Democrats: \$15,000 to Arkansas Representative Wilbur Mills and \$10,000 to Washington Senator Henry M. Jackson. (They gave back the money when Gulf told them that it came from corporate instead of personal funds.)

After that, Dorsey instructed his employees to cooperate with further investigations of the slush fund. Unpleasant facts spilled out in an ugly torrent. According to the McCloy report, Gulf had slipped money to a host of prominent politicians over the years, starting with Lyndon Baines Johnson, who received \$50,000 in 1961 when he was Vice President. Other alleged recipients included Oklahoma Senator Fred Harris, now a candidate for the Democratic presidential nomination; Senate Republican Leader Hugh Scott of Pennsylvania; New Mexico Republican Senator Edwin Mechem, now a federal judge; and Indiana Republican Representative Richard Roudabush, now chief of the Veterans Administration. Dorsey maintains that he was told about such U.S. contributions long after the fact.

Tricky Question. Abroad, he was better informed. In fact, Dorsey himself in 1966 and 1971 ordered payments totaling about \$4 million to politicians in South Korea, where Gulf has sizable operations. The question of whether to pay was tricky, because the line was so fine between bribery on Gulf's part and extortion by the Koreans. Dorsey described for the McCloy committee a meeting with South Korean Politician S.K. Kim: "He dived straight into the matter and told me that we were doing exceedingly well out there, and that basically our continued prosperity depended on our coming up with a \$10 million political contribution to the party." (Dorsey bargained him down.)

Meanwhile, the company disbursed roughly \$4 million to influential figures in Italy, Sweden, Canada and Turkey. In Bolivia, Gulf reluctantly bought a helicopter for the late dictator, General René Barrientos. Some of these gifts were legal in their countries, others were decidedly illegal.

Weighing the evidence, McCloy's committee decided that there was "no basis" on which to conclude that Dorsey knew about all of Gulf's unlawful political contributions. But the report added that Dorsey "perhaps chose to shut his eyes to what was going on. Had he been more alert to the problem, he was in a ready position to inquire about and put an end to it." To cover all this material took seven hours. The directors adjourned.

Act II started at 9 a.m. Tuesday in the board room. This time the directors had to make a decision, so all brought their lawyers to advise them. The directors knew that the Pittsburgh business community believed overwhelm-

ingly that top management would have to go, if only as a symbolic act. On the other hand, they also valued Dorsey highly as a gifted executive, and knew that he had vowed not to quit. Nonetheless, a group of three directors closely identified with the Mellon interests wanted, as one family source put it, "to clear the air as quickly as possible."

Still, the other voting board members, three of whom were company executives, were determined not to be rushed into taking action. Among the possibilities examined were some suggested by Dorsey himself or his lawyers



THOMAS V. JONES OF NORTHRUP
Vowing a fight.

to hold on to his job. One was the naming of a vice chairman who would wield effective power as chief executive. Another was the establishment of a troika of leaders, including Dorsey, to share power. Both suggestions were rejected.

Finally, after 16 hours of deliberation, the board announced its decision at 1:15 Wednesday morning: Dorsey's resignation was requested, received and accepted—effective ten hours and 45 minutes later. Dorsey and E.D. Brockell were allowed to complete their terms as directors but will have to give up their seats in April. The resignations of William L. Henry, president of the Gulf Oil Real Estate Development Co., and Fred Deering, senior vice president, also were accepted. Herbert C. Manning, vice president and secretary, lost his job as a Gulf officer, but will be assigned to new duties. New corporate rules and procedures were put into effect to highlight all political contributions—and to define accountability for them.

That left one item on the agenda—picking the next Gulf chairman—and the choice was also revealed at 1:15 a.m. Gulf's new chief is Jerry McAfee, 59, the president of Gulf Oil Canada Ltd (1974 sales: \$1.5 billion). He is a bril-

ECONOMY & BUSINESS



HARRY HELTZER OF MINNESOTA MINING
Doing special projects.

liant administrator who has been an oilman for his entire career. Born and educated in Texas, he received a graduate degree in chemical engineering from M.I.T. in 1940 and joined Gulf in 1945. He became a senior vice president in 1964, and in 1969 took over the Canadian subsidiary. There he gained a reputation as a skillful negotiator in a battle to work out a more favorable tax policy with the provincial and federal governments. What apparently clinched the job for him was his distance from Pittsburgh and the scandal. True, he was mentioned in the McCloy report in connection with \$1.3 million in contributions to Canadian politicians—but those gifts were completely legal.

Wrist Slaps. What effect Gulf's example may have on other scandal-scarred companies is problematic. So far, most chief executives involved in the spreading scandals of the past few years have got off lightly. Among company officers who have admitted making illegal political contributions, for example, Russell DeYoung stepped down as Goodyear's chairman but still serves on one of the company's most important committees at an undisclosed salary. A few top bosses have paid slap-on-the-wrist fines: \$1,000 each to Braniff Chairman Harding Lawrence, Carnation Co. Chairman H. Everett Olson and Ashland Oil Chairman Orin Atkins. Minnesota Mining and Manufacturing Chairman Harry Heltzer retired, but is voluntarily doing special projects for the company. The majority of chief executives of scandal-tainted companies are still actively running their firms. Thomas V. Jones has resigned as chairman of Northrop Corp. but remains president and chief executive; the board is look-

VOTE FOR AMERICA'S OFFICIAL BICENTENNIAL SLOGAN.

1. America is your past, you are her future.
2. America — the possible dream.
3. Honor the past, challenge the future.
4. Take pride in America's past, take part in America's future.
5. Stand fast, stand tall, stand American.
6. Freedom's way — U.S.A.

The above six slogans are the finalists in the nationwide search for the official Bicentennial slogan conducted by SLOGANS, USA. Pick your favorite by number, write the number on a stamped postcard and send to SLOGANS, USA, Box 1976, Washington, D.C. 20013. Vote now. It's your chance to have an important voice in the Bicentennial celebration. All votes must be postmarked no later than February 16, 1976, midnight to count.



66 LET'S HEAR IT FOR AMERICA. 99

(Contest void where prohibited by law. Winner determined by national ballot.)

ing for a new president, but Jones has vowed a fight to stay in power.

The light penalties bear little relation to the corporate misdeeds, which are anything but trivial. The scandals began to surface in 1972, when Columnist Jack Anderson printed what purported to be a memo from an International Telephone & Telegraph lobbyist hinting that in return for a pledge to help defray the costs of the 1972 Republican National Convention, the Justice Department might drop a demand that ITT divest itself of Hartford Fire Insurance Co. The pledge was made and ITT was allowed to keep Hartford, but Watergate Special Prosecutor Leon Jaworski later reported that he found no evidence that ITT officials had acted illegally. The case, however, set the Watergate prosecutors to looking into the whole subject of corporate political payments—and the deeper they and the SEC investigated, the more startling a pattern of widespread payoffs they found. According to a study by the Library of Congress, payments at home and abroad disclosed by 25 companies in 1975 add up to more than \$250 million. By contrast, the Teapot Dome scandal that rocked the White House in the 1920s involved about \$400,000 in bribes. The names of the corporations involved in the 1970s scandals read like a blue-blood list of American industry. Among them: American Airlines, Exxon, Lockheed, Mobil.

Iranian Princes. Not all the payments have been illegal. Contributions of corporate funds to domestic politicians, which at least 18 companies have admitted making, flatly violate U.S. law. Overseas, the situation is murkier. Corporate political contributions are legal under certain circumstances in many foreign countries. Outright bribery of a foreign official does not violate U.S. law; it may be against the laws of foreign countries, but in many of those countries the law is laxly enforced, to say the least. Moreover, many businessmen feel that as a practical matter, bribes must be passed to get any business done.

In any case, some of the biggest payments have been made overseas. United Brands admitted paying a \$1.25 million bribe to a Honduran official in order to win a reduction in export taxes on bananas; its confession helped precipitate a coup that overthrew the Honduran government. Exxon has admitted giving more than \$40 million to political parties in Italy, some of it in return for specific benefits. Northrop has owned up to payments that may total \$30 million since 1971, including six-figure payments to Iranian and Saudi Arabian princes. Lockheed has acknowledged at least \$22 million in foreign payments, and has been fighting a long battle with the SEC to keep from being forced to dis-

"Earlier ITT had offered up to \$1 million to help the Government prevent the election of Marxist Salvador Allende as President of Chile, but was not taken up on it."

close who got them. Such disclosure, it says, would hurt its business in the countries involved.

At home, there have been enough political scandals to further intensify public suspicion of business ethics. The now defunct Equity Funding Corp., issuing some \$2 billion in fake life insurance policies, defrauded investors of millions of dollars. In a series of cases, federal officials have turned up evidence of bribery of Government-licensed inspectors by grain shippers to certify that export cargoes met cleanliness standards when they did not. Last summer even Good Humor Corp. was indicted in New York on 244 counts charging adulteration of ice cream and falsification of records.

Falsified Books. The political payments, however, have attracted by far the most attention—justifiably because they point to an interweaving of Big Government and big business that creates a climate conducive to corruption. Major corporations bump into Government at every turn—in airline route cases, tax cases, merger cases—and politicians are constantly trying to drum up campaign contributions, a situation that the new campaign financing law will alleviate but not eliminate. The opportunity for deals, often unspoken, at the expense of the public interest is a sore temptation on both sides.

Corporate officials have their reasons for yielding: they do have an obligation to try to keep politicians at home and abroad from damaging their companies. But there is no excuse for knowingly breaking the law, as many executives did in sanctioning payment of stockholders' money to domestic politicians. And whatever the legal status of payments to politicians abroad, several companies systematically falsified their books to hide those payments—a deception of their own stockholders.

What can be done to clean up? The action of Gulf's board last week strikes several hopeful notes. It demonstrates that companies are coming to understand that however light the legal penalties for illicit contributions, they exact a stiff price in public opinion. It shows that "outside" directors—those who are not company officers—realize that they can be held accountable by stockholders for keeping management up to high ethical standards.

Most of all, the Gulf example serves to emphasize anew that chief executives must be held rigorously to account for a company's behavior. The knowledge that at least one corporate head has been ousted as a result of scandal, even though his own degree of knowledge of the misdeeds could not be proved, should provide a healthy prod to other top executives. As the McCloy committee report put it, the critical element in a company's moral health is not the formal rules and procedures it may adopt, but "the tone and purpose given to the company by its top management."



"Oh, there's a genie in here all right, but he refuses to come out."

Chivas Regal • 12 Years Old Worldwide • Blended Scotch Whisky • 86 Proof
General Wine & Spirits Co., N.Y.

Aztec *iOle!*

Slow at first to make itself felt, tequila after two or three rounds comes on like a mariachi band. Mexico's national spirit has crept up on the U.S. market in much the same way. Before 1970, liquor stores used to stock tequila—if they carried it at all—on a back shelf alongside ouzo and grappa. In the past five years, however, annual imports have increased more than 400%, where only a handful of brands were available north of the border ten years ago, some 250 labels are now registered, accounting for total yearly sales of more than 5 million gallons. Says an industry newsletter: "Tequila is hot!"

Made from a cactus-like succulent grown in volcanic soil near the town of Tequila in Jalisco, tequila was probably the first distilled liquor in America: it was an Aztec tipple. Today its staunchest U.S. *aficionados* are in the West, where generations of visitors to Baja California have knocked back the musty-smelling liquor for a few cents a glass. It is no cheap shot north of the border; prized brands like José Cuervo 1800 and Sauza Commemorative sell for \$10 to \$11 a fifth. Nonetheless, at outlets such as Liquor Castle in Beverly Hills, which sells 20 cases a month, tequila sales are doubling every year. Says Owner Simon Levi: "Tequila outsells bourbon 5 to 1. I've been in the business 40 years and I've never seen anything like it. It's like vodka was ten years ago."

Tequila Sunrise. Throughout the country, tequila appeals most strongly to the young, for whom it serves as something of a maturity symbol. Its biggest new markets beyond California are states with high college enrollments, notably Michigan, Pennsylvania, Ohio and Illinois; the major distributors promote their product heavily on campus. The tequila boom was partly pushed by the Rolling Stones, who swigged the stuff on tour, and another rock group, the Eagles, who recorded a hit called *Tequila Sunrise* (named for the tequila potion made with orange juice and grenadine).

Though a few diehards still down tequila the traditional way—straight, with a lick of salt and a wedge of lime—most gringos prefer cocktail variations like the Margarita, made with lime juice and triple sec. Other Aztec *iOles!* T'N'T (with tonic); Bloody Maria or Mexican Mary (substituting tequila for vodka); Brave Bull (with Kahlúa); the Freddy Fuducker (with orange juice and Galliano); and Cold Gold, a sort of Aztec on the rocks. Tequila will probably never rival bourbon, Scotch, gin or vodka in the U.S. It is additionally appealing in another respect, however. According to Mexico City's National Institute of Hygiene, tequila is rich in yeasts and vitamins.



CUSTOMER GETTING A NAIL JOB AT MR. MICHAELS' SALON IN MANHATTAN

Fingernails: Pop (and Mom) Art

In what may be the niftiest put-on since early Warhol, attention-getting women are using Pop (or Mom) art to decorate their fingernails (see color). Linda Lovelace trips with stripes and sparkles. Tina Sinatra goes for checks and chevrons in black, blue, purple and yellow. Nancy Reagan displays—what else?—conservative decor, usually pale shades of pink that blend with her complexion. Popular nail orders are for full-moons, hearts, houses, bumblebees, ladybugs and lilies. One Revolutionary in Los Angeles celebrates Bicentennial themes; other tastes range from pets to presidential preferences. At Mr. Michaels, a Manhattan manicurist, a new fad is to have each finger painted a different color.

Manic manicure dates back about three years in Southern California, where the trend started. Now, according to professionals, cuticle consciousness is exploding like a pinkie sunburst. Rumanian-born Jessica Vartoughian, whose clients in Beverly Hills include Mrs. Reagan, Carmen McRae, Mrs. Alfred Bloomingdale, and Joanna (Mrs. Johnny) Carson, says that requests for far-out fingers have gone up tremendously of late. One of Vartoughian's current specialties: Valentines. Manicurist Minnie Smith, a 20-year veteran whose Minnie-designs decorate the likes of Sinatra, Lovelace, Mita Gaynor and Leslie Uggams, is giving a \$350 course in finger painting. One of the most innovative designers is Paula Johnson, who has turned one customer's fingernails into a handful of cards (a full house). Manicurist Dyan Hill, who had

five years of art school, recently deployed a Chinese dragon in turquoise, gold, orange, lime green and fuchsia for Singer Linda Miles. Says Hill: "I found that painting designs on nails has a way of combining my art and my profession."

Nail Bank. Like an artist preparing a canvas, the manicurist usually starts by strengthening and lengthening the nail with a special cement. The painting is applied on top of a layer or two of lacquer and is then covered with at least five protective coatings. The artwork will stay in prime condition for two or three weeks. Atlanta Manicurist Jean Dean tips clients' fingers with human nails that have been specially grown and sold to a "nail bank." Though most fashion plates keep their art at their fingertips, manicurists have a sizable toe trade among women headed for tropical beaches.

The woman who craves natural nails must have patience as well as money. Top manicurists charge up to \$65 for a full art deco hand. The painting and varnishing take up to two hours, and the nails need another hour to dry. Why do they bother to dress up their nails? Explains Paula Johnson: "Most women need something like this as an ego booster. They need people to say, 'How beautiful!' or 'How strange!'" A more practical explanation is advanced by Faye Cummings, Los Angeles accountant and grandmother who is one of Johnson's regulars. Says she: "You buy a dress for \$60 and wear it maybe once. But your nails are something you wear 24 hours a day."



Minnie Smith's Bicentennial salute; Paula Johnson's sun also rises; Paula stripes her own nails to match her green-and-white outfit.



A tree grows on an elongated finger;



a dragon dances for Singer Linda Miles;



and a dog has his day in manic manucure.



Tina Sinatra (left) has a mini-museum at her fingertips; another handful of candidates for the 1976 (presidential) campaign.

FIVE WAYS TO OPEN OUR STRONGBOX.

Five big doors. It's easy to slip into a Datsun 610 or 710 family wagon. Because both come with five big doors and a little Datsun price. (Many wagons in the class, like Vega and Pinto, give you just three doors.)

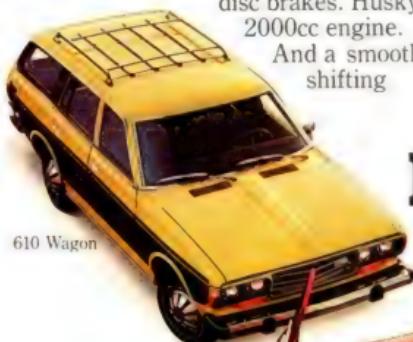
Strongbox. Both models have a one-piece steel unibody to protect you from the outside world. Other strong points include hefty power-assist front disc brakes. Husky 2000cc engine.

And a smooth shifting

4-speed manual transmission (or an optional automatic).

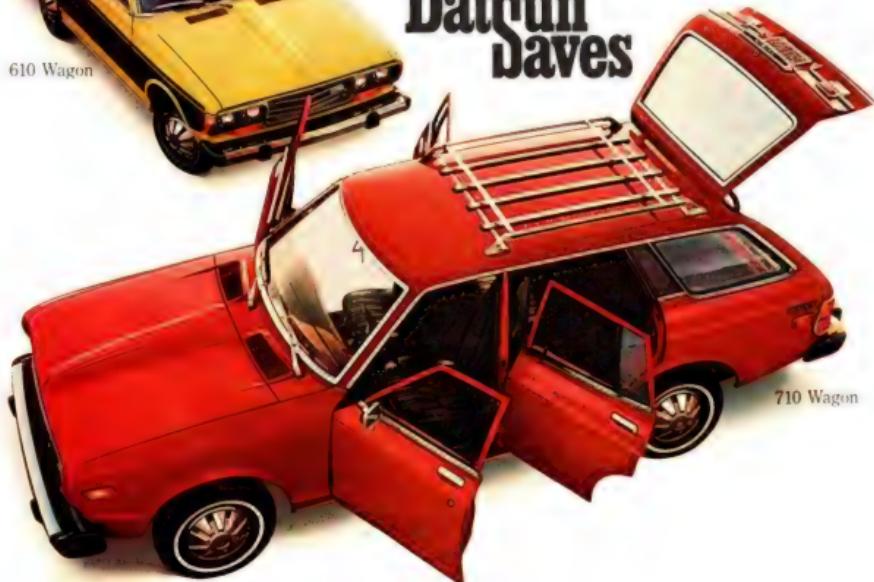
Loaded wagons. Among the many no-cost extras, you find: Fully reclining front bucket seats. Tinted glass. Electric clock. Electric rear window defogger. Full carpeting. Plus: 57.8 cu. ft. of cargo space in the 610, 46.2 cu. ft. in the 710.

Nearly 4,000 strong backers. Behind every Datsun stand nearly 4,000 factory-trained service technicians and our vast computerized parts network. Reason for this strong backing is simple. We figure the longer your Datsun survives, the longer you'll save.



610 Wagon

Datgun Daves



710 Wagon

The Real Governor

"Mattresses spread on floors in hallways and next to urinals ... food often infested with insects ... many toilets will not flush and are overflowing ... overpowering odor ... exposed wiring poses a constant danger ... inadequately heated and ventilated ... rampant violence and jungle atmosphere ... wholly unfit for human habitation."

Such phrases ripped through the normal calm of U.S. District Judge Frank M. Johnson Jr.'s legal prose last week as he announced his findings in four lawsuits attacking the entire Alabama state penal system. To Johnson, the situation was so critical and responsible officials were so derelict that in the most sweeping order ever aimed at a state correctional system, he virtually took command of Alabama's prisons.

Judges have been imposing increasingly tough rulings on prison authorities in the past few years. But Johnson went well beyond his judicial conferees to lay down an extraordinarily detailed set of standards that Alabama's prisons and other penal facilities must meet—from a weekly change of bed linens and "three wholesome and nutritious meals" a day to almost halving the current 4,400 inmate population and nearly doubling the 383 guards at the state's four largest institutions. The judge ordered that every inmate be given "a meaningful job," a chance to take "basic educational programs," and an annual classification check to determine whether transfer to "a more appropriate facility"—perhaps a mental hospital—is necessary.

Enema Response. To make sure that his order is carried out, Judge Johnson in another unique act appointed a 39-member human rights committee and empowered it to hire a full-time consultant who will become the *de facto* superintendent of Alabama prisons. To eliminate any doubt, Johnson also warned state officials, including Governor George C. Wallace, that they could be held personally liable if they failed to carry out the directives "fully."

Wallace, presented with one of his favorite targets, fired back on national television that "thugs and federal judges have just about taken charge of this country." A big vote for Presidential Candidate Wallace, he helpfully added, might result in the "political barbed-wire enema" such judges need.

While Wallace was venting his disapproval, state prison authorities and other officials were privately welcoming the Johnson order. Alabama's prisons are so bad that the state's counsel had admitted last August that conditions violated the Eighth Amendment's ban on cruel and unusual punishments. "Concedes Robert Lamar, the Montgomery

private lawyer representing the state of Alabama: "Many of the things the judge ordered are things the department of corrections has wanted to do for 50 years and couldn't because it was hamstrung by a lack of funds." Still, Lamar will appeal Johnson's ruling, contending that it exceeds his authority.

The prison takeover is only the latest of Johnson's encroachments on Alabama's power, and he has seldom been rebuffed by the Fifth Circuit Court of Appeals.* The result, say friends and critics alike, is that Frank Johnson is more the Governor of Alabama than George Wallace is. In response to various suits, Johnson has moved to overhaul and equalize Alabama's property-tax assessment system, re-apportion legislative districts, and integrate schools and the state highway patrol. In 1971 the judge virtually took over the administration of state mental institutions. His broad and detailed decision led to a cut in mental-patient population from 10,000 to 4,255 and a jump in the budget for the institutions from \$36 million before the suit was filed to \$83 million.

Little Choice. The prisons, too, now seem certain to improve—at least somewhat. On the day Judge Johnson handed down his decision, Alabama voters approved a \$6 million bond issue for new prison facilities, partly in response to earlier testimony and rulings in the cases Johnson has been hearing. But the new prison money will scarcely cover all of Johnson's requirements. The current state correctional budget is \$157 million, and Alabama officials estimate it would take as much as \$100 million more in the next four years to give Johnson what he wants. Alvin Bronstein, executive director of the American Civil Liberties Union's national prison project, predicts that two of the state's four biggest prisons can never meet Johnson's standards and that the judge will almost certainly have to follow through on his threat to close them by year's end.

No one doubts Johnson's resolve. He and Wallace—classmate at the University of Alabama law school—have clashed before, and Wallace has frequently blinked. Author William Bradford Huie recently reported that in their first major confrontation, over a 1958 order to allow federal inspection of voter-registration rolls, then Circuit Judge Wallace had two county grand juries secretly turn over the records while publicly proclaiming he would never knuckle under to Johnson. Says retired U.S. District Judge Walter Hoffman, director of the Federal Judicial Center: "Last week that court upheld a ruling that had limited the number of inmates in Florida's prisons.

"Frank constitutes the whipping boy down there. They beat up on him all the time; he's got sores all over his body. He's used to it. They like to leave the unpopular decisions to him."

But is that any way to run a state? Despite legal scholars' concern over the recent leap in supervisory activity by the federal courts—in such cases as the Penn Central bankruptcy and the integration of Boston schools and the Chicago police force—they remain convinced that

TOMMY GILES



INMATES IN CELL BLOCK HALL

The judge took charge.

the judges have little choice about enforcing the law. "Judges like Johnson are reluctant to take on administrative activities because it involves them in detailed guidelines that require special expertise," says Stanford's Gerald Gunther. "But if Johnson is criticized for becoming an administrator, it is the lesson he was taught by a recalcitrant Governor Wallace in the school segregation cases." Where there is political reticence to act, adds Yale's Thomas Emerson, "the court is the conscience of the community, enforcing its ideals." Pris-

THE LAW

ons, in Alabama as elsewhere, have long been ignored by politicians, and judges have traditionally followed a hands-off policy. But now "we are emerging from that period," says Boston College Law Professor Sanford Fox, "and we are emerging with a vengeance."

Battling the Gag

Judges have been so wary of transgressing the First Amendment that only rarely have they tried to deal with the conflict between a free press and fair trial by ordering reporters not to print information. In recent years, however, a few court decisions suggested that the legal winds were shifting. Then, last November, Supreme Court Justice Harry A. Blackmun refused to void key parts of a Nebraska judge's order that barred the press from reporting the alleged confession of a suspect about to be tried for a grisly multiple murder. Blackmun's ruling prompted a mini-rash of at least a dozen similar orders.

Last week, in two different actions, the press served notice that it would forcefully resist the new gags.

► In Brooklyn, a judge ordered a New York *Times* reporter not to print that a murder defendant had been convicted in a related crime. Next day the *Times* reported the order, said that it would not abide by it, and printed the information (which had been published before). Though the paper's lawyer said that "the court was utterly without power to make such an order," some legal experts thought the *Times* had chosen a hard road. In 1972, after two Louisiana reporters who defied a similar order were fined, an appeals court approved, saying that although the order was unconstitutional, the reporters should have obeyed it until it was overturned.

► On the same day that the *Times* saw fit to print, 17 newspapers, magazines, TV and radio networks and professional news organizations filed a joint friend-of-the-court brief on the Nebraska gag order, which is now before the full Supreme Court. The press brief concedes that pretrial publicity can compromise a defendant's rights. But it argues that a judge has other ways to protect those rights; such methods have included ordering jurors not to read or view news accounts of the trial, sequestering the jurors, and delaying or moving the trial if the pretrial atmosphere in a community is too prejudicial. Referring to such examples as the Angela Davis and John Connally trials, which were completed successfully despite wide coverage—and somewhat gratuitously reminding the court of the press's role in uncovering the Watergate scandal—the brief pointed out that there is "a special risk" in limiting court reporting because gag orders amount to "entering restraints on the very institution whose function is to expose governmental wrongdoing in all branches of government, including the judiciary."

EDUCATION



POLICE RESTRAINING BLACK STUDENTS DURING 1965 BUSING DISPUTE IN TALIAFERRO COUNTY

A Dubious Precedent

When Judge W. Arthur Garrity placed South Boston High School in federal receivership last December, he cited the precedent of a small rural Georgia school system that was taken over by the courts ten years ago, after it tried to circumvent federal desegregation guidelines. But on close inspection, the consequences of that Georgia takeover do not bode well for South Boston: instead of leading to integration, the court's intervention resulted in a school system that now has only black students.

The Georgia case had its roots in a 1965 voter-registration drive organized by the Southern Christian Leadership Conference in Taliaferro County (pronounced "Tolliver" by residents). As part of the campaign, which was sparked by an impassioned speech by Martin Luther King Jr. in the county seat of Crawfordville (pop. 786), black leaders called for desegregation of Taliaferro's two public schools. Murden School (enrollment 600) was all black; the Alexander Stephens Institute (enrollment 203) was all white.

The Federal Government responded to the campaign by ordering the schools desegregated, and Lola Williams, the county's white school superintendent, issued a statement that any student in the system could attend the school of his choice. But when 88 blacks said they wanted to transfer to Alexander Stephens, Williams and the all-white school

board simply closed the school. They explained that all of Stephens' pupils had asked to transfer to schools in adjoining counties. Taliaferro school buses were then used to carry the whites to schools outside the county. When black students tried to board the buses, their way was blocked; in one demonstration, the Grand Dragon of Georgia's Ku Klux Klan attacked a black student who was trying to climb on a bus full of whites.

Choice of Schools. After black parents filed suit in the U.S. district court charging that their children's rights were being violated, a three-judge panel placed the Taliaferro school system in federal receivership under Claude Purcell, the state superintendent of schools. To give blacks as wide a choice of schools as whites, Purcell demanded that schools in other Georgia counties take any of Taliaferro's blacks who applied; 42 blacks did transfer out and were accepted peacefully. Purcell also ordered the reopening and desegregation of Alexander Stephens. This done, the court took the school system out of receivership and gave control back to Superintendent Williams.

Although Taliaferro's two schools have been technically desegregated for a decade, not a single white has attended them since the court takeover. Nonetheless, they are still run by Lola Williams and an all-white school board. Taliaferro's white students have moved either to private academies (five have been set up since 1965), or to public

schools outside the county. Some white families have moved out of the county, and Taliaferro's population (then 62%, now 64% black) has dropped from 3,300 in 1965 to 2,400 today.

Taliaferro whites are still bitter about the federal receivership, claiming that the order destroyed the county's school system. Blacks are simply resigned. Says George Hughes, a Crawfordville black leader: "The courts did the only thing they could do. But you just can't force white students to go to the public schools."

Brown v. the Schools

Ever since he took office last January, Edmund G. ("Jerry") Brown has shocked California's education establishment by posing irreverent and hostile—but basic—questions. "Why is it better to have a smaller number of students in each class?" he demanded of the University of California regents. He frequently asks: "Why are administrators paid more than teachers if the business of schools is teaching?"

This attitude does not endear him to administrators of California's schools or colleges. Indeed, a few are wondering if Brown, who they thought was a liberal Democrat, is more anti-education than was his conservative Republican predecessor, Ronald Reagan.

Before his election, Brown blasted Republicans for their stingy education budgets. (California spent \$244 per capita on education in the 1973-74 school year, compared, for example, with Delaware's \$407 and New Mexico's \$338.) He promised smaller classes, bilingual education and better career training. When the California Teachers Association donated \$25,000 to Brown's campaign fund, he rewarded the group with pledges of bigger paychecks, expanded research grants and more state money for poor school districts. Educators looked forward to a new era presided over by a friendly, intellectually oriented Governor.

They were swiftly disenchanted. Not long after his inauguration, Brown began a series of belt-tightening measures. The sprawling University of California system (nine campuses, 128,000 students, 6,000 faculty members) was awarded only \$587 million of the \$610 million it requested in 1975. "We're breeding a new class of mandarins at the University of California," Brown said. "Belt tightening should begin with those with the biggest belts."

When local school districts pleaded near bankruptcy, the legislature approved an emergency supplemental appropriation of \$115 million. Brown cut it by \$27 million. He also drastically reduced the legislature's 1975 appropriations for bilingual education and special reading and math programs. "The halcyon days of rapid and painless

¹Actually \$37 million more than UC received in 1974.

growth in this state are over," he said by way of explanation. Actually, his proposed budget for 1976-77, while it does not give educators everything they want, includes a slim 6.3% increase for state colleges and a 5.4% increase for UC.

In fact, Brown has not singled out education. Faced with declining revenues and determined to make good on his campaign promise to avoid any general tax increase, he has also slashed away at spending for health care, the arts and other programs. California's voters are apparently willing to go along with Brown's economics: recent polls show that only 7% disapprove of his performance in office.

Many educators, however, are still suspicious of Brown's motives. Says Wilson Riles, state superintendent of education: "Jerry's still in the learning process. His prime motivation during this first year has been not to raise taxes. When he begins to realize what the implications are, I hope he comes down on the side of the children."

Macrame and Esalen. That is precisely where Brown feels he is. Convinced that students are badly served by the wide—and expensive—variety of nonacademic courses offered by the state's schools and colleges, he has taken a back-to-the-basics approach. "If people want to do other things, we have Esalen," he says. "Maybe we should all take macramé, but I'm really concerned about the fact that kids can't read."

His philosophy is shared by at least some California educators. Says Michael Kirst, a member of the state board of education: "Perhaps these multiple shocks from Brown will be helpful to public education. If an institution tries to do too much, it may end up doing nothing well."

CALIFORNIA GOVERNOR BROWN



Born. To Strom Thurmond, 73, fourth-term Dixiecrat-turned-Republi-can Senator from South Carolina, and former Beauty Queen Nancy Moore Thurmond, 29, a second son, fourth child, in Greenwood, S.C.

Died. Margaret Leighton, 53, twice a Tony Award winner (for *Separate Tables*, 1956, and *The Night of the Iguana*, 1962), whose stage and screen career stretched over 35 years and included such successful films as *The Winslow Boy* and *The Go-Between* in which the willowy, blonde English actress starred in her usual elegant style; while under treatment for multiple sclerosis, in Chichester, England.

Died. Tun Abdul Razak, 53, Prime Minister of Malaysia since 1970 who deftly laid down a nonalignment policy for his country and closely tended home-grown economic problems: of leukemia, in London.

Died. John Martin Murtagh, 64, New York State Supreme Court Justice who was preparing his ruling on whether the state's special prosecutor, Maurice Nadjar, had the authority to investigate the New York Democratic Party chairman Patrick Cunningham, of a heart attack, in Manhattan. A tireless, methodical, thorough worker, Democrat Murtagh presided over Republican Nadjar's corruption cases for three years and repeatedly clashed with the prosecutor, whose slashing, unorthodox tactics caused Murtagh to throw out a number of pre-jury indictments.

Died. Frank Schoonmaker, 70, taste-making oenologist and writer whose pioneering articles and books educated American palates and drew the world's attention to the then unheralded wines of California's Napa and Sonoma counties; of a heart attack, in Manhattan. Schoonmaker dropped out of Princeton University in 1923 because he felt it had little to teach him, and on a visit to France began his study of vintages in the household of a wine merchant. In 1933, Harold Ross of *The New Yorker* commissioned Schoonmaker to write a landmark ten-article series on the wines of Europe that started him on his career as one of the nation's premier wine critics. Later Schoonmaker became a consultant to leading American vintners and went into the wine business himself. His books include *Frank Schoonmaker's Dictionary of Wines* and *The Encyclopedia of Wine*.

Died. Dame Agatha Christie, 85, prodigious mystery writer whose works numbered more than 80 books and 17 plays, in Wallingford, England (see BOOKS).

Latest U.S. Gov't. report shows:

Lucky 100's Lowest tar of all non- menthol 100's



Warning: The Surgeon General Has Determined That Cigarette Smoking Is Dangerous to Your Health.

© 1981 Philip Morris Inc. 100 mg "tar" per cigarette.

An Elegant Debut

The Metropolitan Opera has been putting on *La Traviata* with regular success ever since its first season in 1883. Like many Verdi operas, it works well enough with the usual *bel canto* cast tossing forth one hit aria after another. But as Verdi's venture into what might be called upper-class *verismo*—he set it in the drawing rooms of his own time—the work cries out for an elegant musical approach and superior acting on the part of the heroine. Both were in ample supply last week. At long last, Conductor Sarah Caldwell (TIME cover, Nov. 10) made her debut at the Met, and Soprano Beverly Sills sang her first Met Violetta—her second role there since her successful debut last April in *The Siege of Corinth*.

Barn in Winter. Under Caldwell's baton, the orchestra became an involved member of the drama, not a bored bystander. She gave Verdi's familiar music breadth, intimacy and, when appropriate, thoughtful pause. Her bold use of the brass and low strings, for example, gave the orchestral fabric a strikingly firm and secure bottom. One heard small details, often lost, that underscored Violetta's isolation: the clarinet obbligato accompanying the Act I "Ah! fors' e lui" and the oboe solo in the death scene.

Still it was not a perfect *Traviata*. Created nine years ago by Director Alfred Lunt and Designer Cecil Beaton, this production has Violetta's bedroom looking like a barn in winter—something Walt Disney might have conceived



CALDWELL CONDUCTING AT THE MET

in homage to Charles Addams. Because the windows are so high and remote, the poor girl cannot even get to the window to watch the revelers in the last act. The current stage director, Fabrizio Melano, has not really resolved all the old problems: the Baron's challenge to Alfredo in Act III, for example, comes off much too tame.

As Alfredo, Tenor Stuart Burrows sang with taste and grace, but he lacks the sharp vocal and theatrical edge required by the role. Sills started off with a surprisingly wide vibrato that spoiled some of her high notes. But the problem cleared up, and the confrontation with Germont—splendidly sung by Baritone William Walker—was in every way convincing. Looking slim and sexy, Sills throughout the evening exhibited an appealing range of emotions and musicality. From the glossy extravagances of the opening party scene to the despair of her pact with Germont, Sills once again asserted her claim as the finest singing actress in the world. Violetta is a role that Sills has sung only three times before in New York, but close to 300 times elsewhere throughout her career. It remains one of her noblest portrayals.

William Bender



SILLS AS VIOLETTA

Russian Fireworks

The campus of Miami University in Oxford, Ohio, is usually known as the place where McGuffey's *Readers* were launched, and where Red Blaik and Ara Parseghian got their starts in football. After last week it may also be remembered as the site of the U.S. debut of the latest in a long line of Russian pianists that includes Emil Gilels and Sviatoslav Richter. Lazar Berman, 45, is unknown in the U.S. and Western Europe. But collectors of Soviet recordings, as well as many pianists throughout the world, have for years praised his talent.



BERMAN MAKING U.S. DEBUT
Too nervous for a movie.

Berman is a virtuoso whose blinding technique appears an easy rival to that of Vladimir Horowitz. Yet Berman's is a humble kind of virtuosity that is not afraid of understatement. His debut, the start of a 15-concert tour of nine states, occurred in a walled-off end of Millett Hall, the Miami U. sports arena—which had surprisingly good acoustics. A burly bear with stooped shoulders, ginger-colored beard and long brown hair that waves up at the neck, Berman came out looking grim and tense. Once he was at the keyboard, all illusions of nerves or clumsiness vanished. He sits squarely at the piano, his eyes fixed on the keys, making no theatrical gestures. Although Berman has not played enough for fair comparison with Gilels and Richter, one wonders if either could present a better recital.

It was a program designed to get the question of Berman's technique out of the way at once. The Liszt *Sonata in B*

minor offers a hard challenge to any pianist's claims on a big romantic style. Berman used the sonata to exhibit the fleetest of fingers and an extraordinary range of sound—from thundering climaxes to whispering pianissimos. Liszt's *Spanish Rhapsody* is entirely a display piece; Berman's epic double-octave runs near the end were breathtaking. The choice of Beethoven's crisp, bouncy *Sonata No. 18, Op. 31, No. 3*, rather than one of the composer's mightier scores, was wise; one does not sputter deep philosophy at a fireworks display. Berman's playing of the sonata was immaculate, and not without humor.

Before he returns to Moscow, Berman will record Beethoven's *Sonata No. 18*, as well as the *Appassionata*, for Columbia. Through its affiliation with Russia's Melodiya label, Columbia has just issued Berman's version of Liszt's twelve *Transcendental Etudes*, the twelve-year-old double-LP set that firmly established his reputation among record collectors. This is music that, for pure pianistic difficulty, begins where the Chopin *Etudes* leave off, rarely has it sounded more lyrical. From Deutsche Grammophon comes Tchaikovsky's *Concerto No. 1 in B-flat minor*, recorded last November with Herbert von Karajan and the Berlin Philharmonic, which is both surprising and gratifying for its underplay of the work's slam-bang heroics.

Simple Tastes. There are times when Berman and his piano seem inseparable extensions of each other—especially during the long hours preceding a recital. An amiable, easygoing sort who gets along mostly in French while on tour, Berman concedes that he is much too nervous to take a walk or go to a movie. "I have to be close to the piano, even if I am not playing it," he says. That includes having a piano in his dressing room wherever he goes. "I must know that I can run over the keys if I need to."

A grand piano is the biggest thing in the small two-room Moscow apartment Berman shares with his wife Valentina and son Pavel. Unlike Horowitz, who plays for only about 90 minutes a day, Berman practices six to seven hours, even on the road. Berman spends a lot of time traveling. During the past 20 years he has performed in 200 cities and towns in the U.S.S.R. A man of simple tastes and beliefs, apparently devoid of the usual extremes of virtuoso temperament, Berman says: "When I play in a small town in Russia, I try to play as well as I do when I am in a grand hall in Moscow. He intends to be just the same in the U.S. "Whether I will succeed, time will tell."

Latest U.S. Gov't. report shows:

Iceberg 100's Lowest tar of all menthol 100's



The Good Dr. Bal

Wearing a pencil-thin Adolphe Menjou mustache, impeccably dressed in a dark blue suit and sporting a stickpin in his stylish striped cravat, Dr. Eugene Balthazar, 73, looks like Hollywood's image of a society doctor. But Balthazar's practice is not on Manhattan's Park Avenue or in some well-heeled suburb but in the decaying downtown area of Aurora, an industrial center.

MICHAEL ROSEN



BALTHAZAR & PATIENTS

Unlike the Hollywood image.

(pop. 79,000) in northern Illinois. There, for at least 3½ days a week, Balthazar ministers to Aurora's poor—Mexicans, Appalachian whites, Indians and blacks. Indeed, anyone with real or imagined ailments is welcomed at his storefront clinic for medical care—all free of charge.

For more than 40 years Balthazar had practiced medicine in Aurora. Then in 1972, at the age of 70, he decided to retire. But instead of heading for the golf links of Florida or Arizona, he set up his free clinic. "I felt I had an obligation to the community," explains Bal-

thazar, who had long been known as a doctor who let patients pay whenever and whatever they could. Besides, he says, such service is in the best tradition of medicine. "Oh, yes," he admits, "we have a very mercenary segment that displays the avariciousness and lack of humanitarianism of the times. But for most doctors it's always been a privilege to treat the needy, without trumpet or fanfare."

On a typical day, Balthazar may see as many as 100 patients. Aided only by a nurse, a receptionist and 25 part-time volunteers, he treats almost every conceivable ill—heart disturbances, abscessed ears, broken bones, malnutrition, and once even a case of leprosy. For this, he accepts no money. He will not even take Medicare or Medicaid payments because, he explains, he hates the paperwork. More important, he says, "We're saving the taxpayers money." Balthazar figures that he can treat people for an average cost of about \$1 per patient. He adds: "It costs the state more than that just to process a claim."

Free Expertise. For the first two years, Balthazar and his wife—who has since died of cancer—spent \$30,000 of their own money to keep the clinic going. Now he has reluctantly agreed to a fund drive in Aurora to help meet expenses. Other help has come forward: Balthazar's rent for the town-owned building is only \$1 a year. Fellow physicians and pharmaceutical firms contribute drugs and vitamins. Local specialists often provide free expertise in cases that General Practitioner Balthazar feels he cannot handle alone.

Since the clinic opened, Dr. Bal (as patients call him) has treated more than 10,000 patients. He has a special empathy with the poor. "Look at those pallid faces," he exclaims while examining two sniffing youngsters. Turning to their mother, he asks: "Did I put them on vitamins last time, Mommy? What about iron?" If a youngster becomes ill when the clinic is closed, he asks the parents to bring the child to his house. Though his main emphasis is on the ailing, he does not balk at providing free school physicals and shots for youngsters who cannot afford them. In only two areas does Roman Catholic Balthazar draw the line: he will not dispense birth control pills or perform abortions.

Balthazar's good works have not gone unnoticed. A few months ago, his alma mater, Loyola University School of Medicine, gave him its esteemed Stritch Medal (previous winners include Heart Transplanter Christian Barnard and Astronaut-Physician Joseph Kerwin). The citation called him "a beacon for others in his profession and a promise of hope." Also, a film has been made about his storefront clinic by a group at Southern Illinois University.

For Dr. Bal the most satisfying tribute is from his own patients, who eagerly do anything they can to please him—scrubbing floors, washing windows, even baking casseroles for his lunch. In fact, when a woman patient recently sued him for malpractice (because of a scar left by the successful treatment of a facial malignancy), other patients were incensed. "Around here," said one, "suing Dr. Bal is like suing God." Balthazar, who refuses to carry malpractice insurance, easily won his case.

The Nation's Health

How fit are Americans? In its first report on the state of the nation's well-being, federal officials last week offered an answer. Titled *Health, United States, 1975*, a three-volume, 600-page study by the Department of Health, Education and Welfare indicated that the physical condition of Americans had improved significantly in the past generation, but that excessive use of alcohol and tobacco as well as improper diet and lack of exercise are still major causes of disease.

Requested by Congress as a guide for policymakers, the wide-ranging study included these highlights:

► Infant mortality, often regarded as a key indicator of a nation's well-being, declined from 29.2 deaths per 1,000 live births in 1950 to an estimated 16.5 deaths in 1974. Despite that improvement, the U.S. still ranks only 15th in infant survival.

► Life expectancy is now 76.7 years for white women and 68.9 years for white men, up 2.1 years and 1.2 years respectively in the past decade. But non-whites continue to lag, with a life span of about 71.3 years for women and 62.9 years for men.

► The U.S.'s elderly population has risen sharply. Between 1940 and 1970, the number of people 65 and older doubled to 20.2 million. As a consequence, the incidence of chronic arthritis, diabetes and other diseases linked with aging has also gone up.

► In the past six years the number of deaths from heart disease in the 55-to-64-year age bracket declined 15%. But the group experienced a 4% rise in cancer deaths. In addition, there has been an increase in respiratory diseases, kidney and liver ailments and, particularly among the young, venereal disease.

Commented Dr. Theodore Cooper, HEW's assistant secretary for Health, whose staff prepared the report: "The data suggest that much improvement in health status could come from individual action." In other words, Americans still have not learned the most obvious lesson, that they can become healthier without their doctors' help simply by cutting down on drinking and smoking, exercising more and eating better.



U.S.-BOUND IMMIGRANTS, CA. 1890; RIGHT: CHILD LABORER IN NEW YORK, 1910



THE LIBRARY OF CONGRESS; TOP, BY M. WATKIN

BOOKS

Assimilation Blues

WORLD OF OUR FATHERS

by IRVING HOWE

714 pages. Harcourt Brace Jovanovich.
\$14.95.

Irving Howe is one of those writers for whom the designation "a gentleman and a scholar" was minted. Professor of English at New York's Hunter College, literary critic and editor of the democratic-socialist magazine *Dissent*, Howe belongs to an intellectual tradition in which literature and politics, aesthetics and morals are not mutually exclusive. He is one of the few writers who can still use phrases like "the life of the mind" and "the sanctity of thought" without causing the eyes of his readers to glaze. His prose reflects the even heat of his intelligence, yet he can turn a searing phrase when the situation calls for it. During the '60s, when some of his academic colleagues were carried away by militant fantasies, Howe labeled them "guerrillas with tenure."

In *World of Our Fathers*, he confronts another symptom of success in America: the assimilation blues. For many Americans whose non-English-speaking parents and grandparents were part of the huddled mass that funneled through Ellis Island at the turn of the century, the immigrant experience is conveniently forgotten or bizarrely recreated.

Blazing Saddler. The modern American Jew has supported a minor industry built on the ABs. He warms to his past either as romantic folklore or the wellspring of neurosis. *Fiddler on the Roof* and *Portnoy's Complaint* can be immensely entertaining, but they hardly represent the range and depth of Jewish traditions.

World of Our Fathers does. A scholarly, fluent social history and a generous eulogy, the book spans nearly 100 years—from the exodus of Eastern Europe's Jews to the national acceptance of Woody Allen's gentle kvetching. The



FANNY BRICE IN ZIEGFELD FOLLIES

distance covered can be measured by a simple fact: even adjusted for inflation, the \$33.50 it cost in 1903 for a steerage ticket from Bremen to New York would today scarcely cover a night on the town.

The Lower East Side of Manhattan was the staging ground for the Jewish dispersion into America. It was also the center of a unique and conflicting culture. The embers of an ancient piety awaiting deliverance by the Messiah flickered alongside the political activists who led the fights for higher wages and better working conditions. Frictions between the old and the new were aired daily in the Yiddish newspapers. Most notable was the *Forward*, whose editor, Abraham Cahan, became the Solomon of assimilation. Allowing your son to play baseball, he assured one parent,



IMMIGRANT LEAVING ELLIS ISLAND, CIRCA 1900

would not necessarily turn him into "a wild American runner."

As the book progresses, stereotypes of pale children, bearded old men and worried mothers in babushkas step aside for anarchists who gather on Yom Kippur to dance, eat and sing *La Marseillaise* "and other hymns against Satan." Gangster Arnold Rothstein makes it all the way from Hester Street to F. Scott Fitzgerald's *The Great Gatsby* as the underworld character Meyer Wolfsheim. Outside New York, Jewish peddlers roam the South, and Jewish farmers plow as far away as Oregon. There are even Jewish cowboys of a sort. Writing home from Kansas, one incipient blazing saddler complains that his gun is too heavy.

As Howe demonstrates with anecdote and analysis, the mainstream of

BOOKS

early Jewish-American life converged in its institutions. The Educational Alliance, for example, fed the newcomers' legendary hunger for learning with classes and standing-room-only lectures. Zero Mostel, who grew up in a small, overcrowded tenement apartment, recalls that "the alliance gave me a new life—I had never seen such big rooms before!"

There was no shortage of popular culture either. The Yiddish theater, which Howe shrewdly compares to Italian opera (where the emphasis is on virtuoso performance rather than content), was not shy about amending Shakespeare. *Romeo and Juliet* was set in a Polish village, and Friar Laurence was recast as a Reform rabbi. The famous performers originating in the ghetto included Al Jolson, the Marx Brothers, George Jessel, George Burns, Eddie Cantor, Sophie Tucker, Fanny Brice.

Spilled Contempt. Howe has less affection for such latter-day Jewish comedians as Buddy Hackett, Jack E. Leonard, Sid Caesar and Mel Brooks, who spatter their routines with Yiddish vulgarisms. Their stage bilingualism, Howe argues, spilled contempt on themselves for being inauthentic and disdained Gentiles for rewarding them.

Philip Roth is given a similar dressing-down for Alexander Portnoy, the Jew who sees his Jewishness as a trap preventing his development into a Franchot Tone American. "Who, born a Jew in the 20th century, has been so lofty in spirit as never to have shared this fantasy?" replies Howe. "But who, born a Jew in the 20th century, has been so deluded as to stay with this fantasy for more than a few moments?" Such sobering interrogations have always kept the American Jew leaping from the melting pot into the fire. *R.Z. Sheppard*

Antidote to Factoids

THE DICTIONARY OF MISINFORMATION

by TOM BURNAM

302 pages. Thomas Y. Crowell, \$9.95.

Marie Antoinette never said, "Let them eat cake."

Sherlock Holmes never said, "Elementary, my dear Watson."

Lizzie Borden was acquitted.

Delilah did not cut Samson's hair.

The Emancipation Proclamation did not free any slaves.

Prohibition never forbade the drinking of liquor.

Statements like these are usually made by the windbag at the end of the bar, the one who ends by losing the bets and buying the drinks. But in each of the above cases the loudmouth would be on the receiving end of the drinks. The Emancipation Proclamation, for example, applied only to the Confederate States. They were at war with the Union and ignored both the spirit and letter of the law. Delilah, according to



DELILAH SHEARING SAMSON

Things we know just aren't so.

Judges 16:19, made Samson "sleep upon her knees; and she called for a man and she caused him to shave off the seven locks . . ." Nothing in the 18th Amendment prohibited the consumption of liquor, only its manufacture, sale or transportation. As for the cake eating, it was the haughty Duchess of Tuscany who made the remark circa 1760.

It is time some iconoclast gave the lie to what Norman Mailer calls "factoids"—falsities long accepted as valid. The truth seeker is Tom Burnam, an English professor at Portland State University in Oregon, and his compendium is the best antidote to nonsense since H.L. Mencken hung up his spines. "I believe," says Burnam in his introduction to *The Dictionary of Misinformation*,

THE MUCH MALIGNED LIZZIE BORDEN



"that when we fall it's not because our reasoning faculties have tripped us; it's because of the things we know that just aren't so."

So that we may never trip again, Burnam reminds us that:

The guillotine is not French and was not named for its inventor. (The several-hundred-year-old device was merely advocated by Dr. Joseph Guillotin, who opposed the prevalent methods of torture and execution. After the Terror, Guillotin's family changed its name.)

OWLS can see and hunt in the daytime; foxes are dumb and gorillas are timorous.

The baseball was livelier in Babe Ruth's day than in Carlton Fisk's.

There is, unhappily, no such thing as a real aphrodisiac. (Spanish fly, the most notorious amatory device, in fact causes diarrhea, vomiting, great pain and depression.)

The Dictionary of Misinformation is in the tradition of Mencken's *American Credo*: a mocking collage of secular gospel Examples:

The accumulation of great wealth always brings with it great unhappiness.

One feels very humble and insignificant when looking at the Grand Canyon.

The '20s gadfly was stung in turn by Robert Benchley's parody of factual anthologies, *Did You Know That—*

Ice is really a vegetable organism which forms on the surface of water to prevent it from freezing solid?

Frederick the Great once gave a walking stick to Voltaire, which bent double every time he leaned his weight on it, which was the reason that Voltaire was such a cynic?

If Burnam is more utilitarian than *American Credo* and is barely winged by Benchley, it is because his compendium contains more truth and less malice than its predecessors. *The Dictionary of Misinformation* misleads only once—in its title. Information is all that the volume contains: enough to keep the canny reader collecting bar bets for the rest of the year.

Stefan Konfer

Celtic Twilight

FOREIGN AFFAIRS AND OTHER STORIES

by SEAN O'FAOLAIN

226 pages. Atlantic Monthly—Little, Brown, \$8.95.

A fatuous young writer asks a doctor friend for material for a short story, something that will "out-Maupassant Maupassant." The friend responds with an experience from his youth, a naggingly inexplicable encounter with a senior boy at an English boarding school. As the tale is told, the listener grows restive: the narrative is replete with hidden motives, loose ends and awkward, tag-along sequels. "There is too much in it," the writer finally declares. He cannot possibly turn such a shapeless bundle of facts into a proper short story.

While he fails, Irish Author Sean

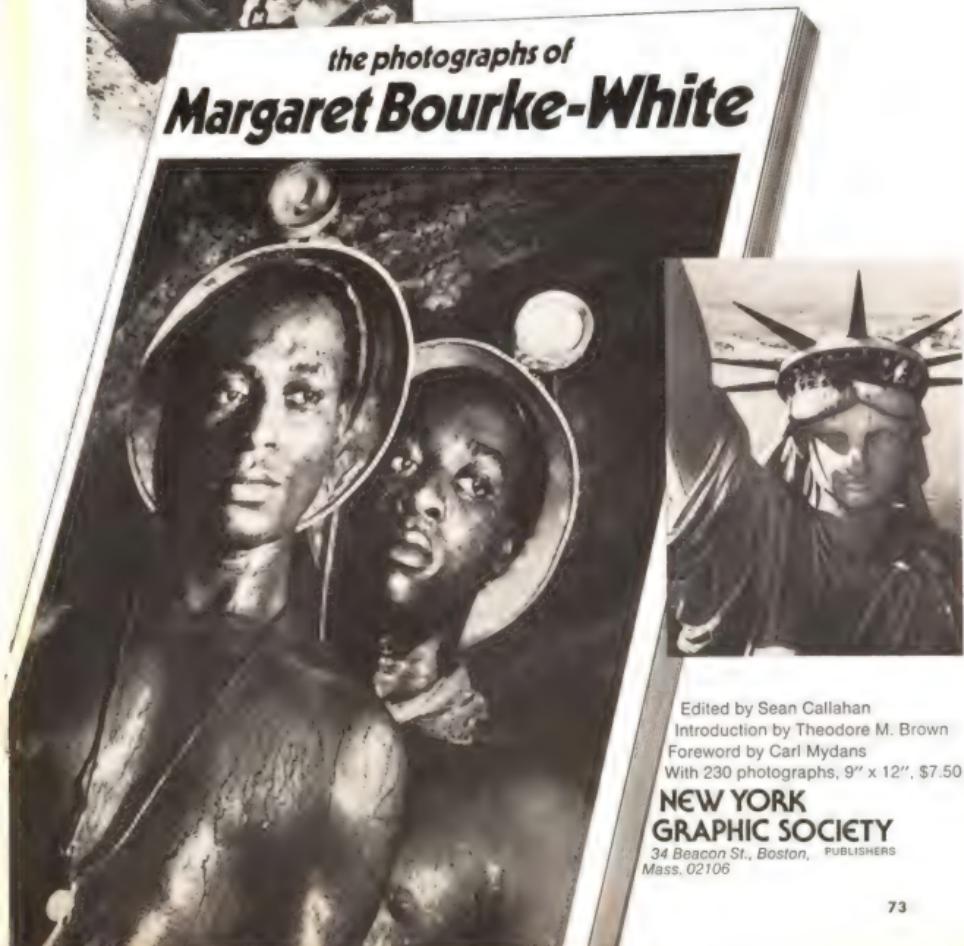


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BOOKS

O'Faolain succeeds—by making the doctor's story a haunting reminiscence. His title for this exercise, *How to Write a Short Story*, is both a gentle spoof of the rule-ridden writer *manqué* and a bit of well-earned boasting. O'Faolain is one of the few remaining men of letters; in his 75 years he has been novelist, playwright, travel writer, critic, translator, biographer and journalist. His earliest short story was published nearly 50 years ago and he has lost no affection for his first love.

Part of this remarkable endurance stems from a refusal to treat the short story as a wind sprint. Instead, O'Faolain saunters like a troubadour, chatting with artful casualness about the scenery and weather, the dwellings and garb of his people. Yet he is more than a local colorist. His art disguises artifice. He knows exactly how much to explain and when to remain silent. "Who was it," one of his characters wonders, "said the last missing bit of every jigsaw is God?"

Drastic Love. Most of the stories here revolve around fussy, aging bachelors. The men are, as one tart-tongued female claims, typically Irish victims of "the whole monstrous regiment of women from Old Mother Hubbard, and Old Mother Goose, and Holy Mum the Church, down to Mother Ireland and your own dear departed and long-suffering Mother Machree." Thus in *Murder at Cobbler's Hulk*, a retired travel agent lives in fastidious loneliness near a remote village. A woman attacks his prim self-sufficiency: "No love. No drink. No friends. No wife. No children. Happy man! Nothing to betray you." She is proved wrong, for O'Faolain shows him capable of a drastic act of love.

Even comic characters show surprising inner resources. In *The Inside-Outside Complex*, a lonely antique dealer falls in love with the cozy scene and an attractive woman he observes through a bungalow window. He insinuates his wares and himself into the woman's dwelling and finally marries her. Gradually the view through that window to the world outside comes to seem irresistibly attractive. This turnaround is slapstick, but the problem behind it is not belittled by O'Faolain. Both the dealer and his new wife learn something about the treachery of fulfilled desires before their struggle is over.

O'Faolain is unfailingly gentle with his characters. The most realistic exchanges have a soft blur of Celtic twilight around them. The price, of course, is a certain lack of intensity; the stories charm but they rarely rivet. That is simply the underside of a virtue. Charm is never in such abundant supply that it can be discarded, and O'Faolain's variety is achieved through wisdom as well as sympathy. "Youth should idealize," he once wrote, "and dammit, so should old age." The young idealist still smiles through these polished stories. *Paul Gray*

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Dame Agatha: Queen of the Maze

Dame Agatha Christie made more profit out of murder than any woman since Lucrezia Borgia. One estimate of her total earnings from more than a half-century of writing is \$20 million. But the exact amount remains a mystery not likely to be solved even when her will is read. Her royalty arrangements and trusts would tax the brains of two famous detectives, M. Hercule Poirot and Miss Jane Marple. In addition, Agatha Christie had already given away millions to her family. Her only grandson, Mathew Prichard, 32, was eight years old when she presented him with sole rights to *The Mousetrap*, the world's longest-running play. It has grossed nearly \$3 million since its London opening in 1952. Last week, before the play's 9,611th performance, the theater lights were dimmed in memory of the 85-year-old writer, who had just died at her house in Wallingford.

The Christie output was torrential: 83 books, including a half-dozen romances written under the name Mary Westmacott; 17 plays, nine volumes of short stories, and *Come, Tell Me How You Live*, in which she described her field explorations with her second husband, British Archaeologist Sir Max Mallowan. The number of printed copies of her books is conservatively put at 300 million. New Guinea cargo cultists have even venerated a paperback cover of her *Evil Under the Sun*—quite possibly confusing the name Christie with Christ.

Her own characters were much less exotic: doctors, lawyers, army officers, clergymen. Her stalkers grounds were usually genteel English houses, and she rarely stayed. "I could never manage miners talking in pubs," she once said, "because I don't know what miners talk about in pubs." Dame Agatha herself looked as if she had been raised on a good golf course, although her main hobbies were gardening, and buying and redecorating houses.

Godlike Genius. In a Christie murder mystery, neatness not only counts, it is everything. As the genre's undisputed queen of the maze, she laid her tantalizing plots so precisely and dropped her false leads so cunningly that few—if any—readers could guess the identity of the villain. The reader surrenders to an enigma in which the foul act of murder seems less a sin against man or God than a breach of etiquette. Yet, as W.H. Auden observed, the British murder mystery, with its accent on clever detection rather than violence, seems to provide an escape back into

the Garden of Eden. There innocence and order are restored, and readers "may know love as love and not as the law." The Great Restorer is the godlike genius detective. Christie's own genius resided in a mind of intimidating clarity. She never allowed emotion or philosophical doubt to cloud her deviant conceptions or hinder the icy logic of their untanglings. Born Agatha Mary Clarissa Miller in Torquay, she was the daughter of a rich American and an English mother. Although gifted with a good singing voice, she abandoned a stage career because of her shyness. In 1914 she

LOD SAWYOR—FAMOUS PICTURES



DAME AGATHA CHRISTIE (1890-1976)

Little grey cells and apples in a hot bath.

married a British airman, Colonel Archibald Christie, and plunged into the war effort. Between volunteer nursing and practicing pharmacy, she wrote her first detective story on a dare from her sister. *The Mysterious Affair at Styles* introduced the 5-ft. 4-in. dandy and retired Belgian police officer Hercule Poirot. His egoism, eccentricities and the fact that for a time he had a Watsonian colleague called Hastings suggest that Christie was strongly influenced by Sherlock Holmes.

Christie was a well-established writer when her controversial *The Murder of Roger Ackroyd* was published in 1926. Purists complained because she did what no detective-story writer had done before. She revealed the killer as none other than the book's narrator. Publication of the novel coincided with another first in the author's otherwise scan-

dal-free life. For two weeks in December 1926, Agatha Christie, 36, was officially a missing person. A frenzied nationwide search led to a Yorkshire hotel, where she was found registered as Tessa Needle, the name of the woman Colonel Christie married after his divorce from Agatha two years later. Doctors said the disappearance was caused by amnesia. Even so, the episode was a uniquely devilish way of telling her husband that she knew about his mischief.

Stoic Brevity. Dame Agatha recalled that unhappy time with stoic brevity: "My husband found a young woman." In 1930, on a trip to the Middle East, she found Max Mallowan, 14 years her junior, who was excavating on the site of ancient Ur. "An archaeologist is the best husband any woman can have," she noted before their 25th anniversary. "The older she gets, the more interested he is in her." In their 45-year marriage, the Mallowans shared an interest in travel and properties. During one period, the couple owned eight houses.

World War II found Christie again practicing pharmacy and brushing up on the latest lethal drugs. Poison was a preferred method of dispatching a victim—frequently "in quiet family surroundings." She continued to publish one or two novels a year, often plotting them in a hot bath while eating apples. There was scarcely a time when her work was not before the public, not only on book jackets but in the credits of such stage and film works as *Witness for the Prosecution* and *Ten Little Indians*.

The last few years of Dame Agatha's life saw an upsurge in Christiemania. *Murder on the Orient Express*, the film based on her novel *Murder in the Calais Coach*, was a huge box office success that spurred even further the sales of her books. *Curta*, the novel in which Hercule Poirot predeceases his author (TIME, Sept. 15), is still No. 1 on U.S. bestseller lists, with over a quarter of a million copies in print.

But it was the elderly, frail spinster Jane Marple who remained her favorite detective. Gifted with as many "little grey cells" as Poirot, Miss Marple also possesses an unpretentious village wisdom and homesy psychological insight that make her Agatha Christie's alter ego. Although Poirot is gone, Marple survives for at least a while longer. An unpublished manuscript in which she too passes on is locked in the Christie vault, along with the ultimate whodunit, Dame Agatha's autobiography. By refusing to publish it during her lifetime, Dame Agatha has assured herself one last, suspenseful hurrah.

Charnel Knowledge

SEVEN BEAUTIES

Directed and Written by LINA WERTMULLER

Pasqualino (Giancarlo Giannini) is a survivor, and Lina Wertmüller's smashing new movie concerns both the ways he stays alive and the price he pays. *Seven Beauties* is a death-house comedy, brutal, audacious, liberating. As previous films like *Love and Anarchy*, *The Seduction of Mimi* and *Swept Away* demonstrate, Wertmüller takes a ringmaster's glee in barraging an audience with tawdry splendors and keeping it dazzled. She knows how to make us laugh, hard and long, even while we question ourselves for doing it. It is from the per-

sistence of this questioning that Wertmüller gives us the greatest rewards.

Seven Beauties is a knockabout mockery of a cherished notion: that just to go on drawing breath is worth any sacrifice, a goal beyond any scruple. This is certainly an idea to which Pasqualino Frafuso clings with all the fervor in his Neapolitan soul. Nicknamed "Seven Beauties," in ironic allusion to his seven lumpish sisters, Pasqualino struts and flirts for all the women in Naples and looks for "respect" from the local don. He murders—albeit inadvertently—the man who turned his oldest sister Concettina into a whore, chops the body up and ships it north in three suitcases.

Plea of Insanity. Pasqualino had hoped to impress the don not so much with the crime but with his novel means of corpse disposal. He is undone by a furious, hysterical Concettina (Elena Fiore) and brought to justice. A man of vocal but flexible honor, Pasqualino will not cop a plea of insanity until he understands that the only alternative is the death penalty. With a little help from the don, Pasqualino draws twelve years in an asylum.

He moves, then, from one kind of madness to another. A friendly doctor gets him bounced from the hospital—where, overcome by months of tethered ardor, he tried to rape a woman patient—and into the army. For Pasqualino, the second World War is a survival course which requires all his back-alley resources. He fakes being wounded by stealing the bandages from a dead soldier, thus avoiding assignment to the Russian front. He deserts, gets caught by Nazis and is imprisoned in a concentration camp where dead bodies hang from the ceiling and litter the floor like parched, trampled leaves.

In this charnel house, the kind of madness that Pasqualino perpetrated on a smaller scale becomes massive. To stay alive, Pasqualino must summon up his last reserves of cunning. In one horrible, hilarious sequence, he tries to worm his way into the good graces of the female camp commandant (Shirley Stoler) by making love to her. She is a lesbian leviathan who tolerates his attentions only because of his very desperation. She uses his appetite for life to debase him, and he allows it. He even agrees to preside over the execution of fellow prisoners. All for survival.

The laughter in *Seven Beauties* has grim echoes, and every scene finds its own refraction, insane but recognizable. The wholesale slaughter in the concentration camp becomes an awful elaboration of Pasqualino's butchery back in Naples. His squirming on top of the commandant is a punishment and a parody of the asylum rape, as well as of the way Pasqualino would have women back home—usually by force.

RICHARD CHAMPTON

DIRECTOR LINA WERTMULLER
A ringmaster's glee.

Wertmüller fashions the film so that even the paradoxes double back on each other. Pasqualino is a murderer and rapist. But he is a rogue, too, winning because of his shabby, transparent charm. The ferocity of his life force compels sympathy, but it is the persistence of that very force Wertmüller questions. *Seven Beauties* suggests that there are prices that must never be met: survival may not be its own justification.

Giancarlo Giannini is the storm center of the movie, and he acts Pasqualino with sulfurous splendor. Giannini, with eyes of stinging intensity, has been leading man for Wertmüller in all her movies released in America. Like her, Giannini knows how to work right at the taproot of his character. There has been no one quite like him since Mastroianni, but Giannini shows an even wider range, not just of roles, but of spirit.

Image of Horror. The movie is vastly ambitious, but it is also jaunty and diverting. There is time for an affectionate send-up of Bertolucci: Giannini's entrance into a Neapolitan music hall stupidly splendid with a cigarette holder and snap-brim hat, recalls *The Conformist*. There are some good visual puns: the camp commandant straddling her office chair like a grotesque Dietrich.

Director Wertmüller invests the concentration-camp episodes with a power that reminds us how those images of horror have been turned into familiar clichés. One measure of Wertmüller's talents is that she forges all these elements together so easily, probably because she has enjoyed such a varied career. Once an assistant to Fellini, Lina Wertmüller, 45, has directed theater, mounted musicals, even created a television program of Italian pop tunes. Traces and refinements of all those influences are still present in her work, but she unites them with carefree ease, as if the connections were there before she made them. Her humor is startling and raucous, but always purposeful. The comedy complements, never contradicts, the brilliant brute force of her movie.

Jay Cocks



GIANCARLO GIANNINI IN BEAUTIES



STOLER AS CAMP COMMANDANT





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